STANDARD CONTRACT FOR SERVICES

1. Parties. This is a contract for services between the State of Vermont, Department of Vermont Health Access (hereinafter called "State"), and Gainwell Technologies LLC., with a principal place of business in Conway, Arkansas (hereinafter called "Contractor") (the "Contract"). Contractor's form of business organization is a Corporation. It is Contractor's responsibility to contact the Vermont Department of Taxes to determine if, by law, Contractor is required to have a Vermont Department of Taxes Business Account Number.

2. *Subject Matter.* The subject matter of this Contract is services generally on the subject of MMIS ("Medicaid Management Information System") and Fiscal Agent Services. Detailed services to be provided by Contractor are described in Attachment A.

3. *Maximum Amount.* In consideration of the services to be performed by Contractor, the State agrees to pay Contractor, in accordance with the payment provisions specified in Attachment B, a sum not to exceed **$95,403,737.97.**

4. *Contract Term.* The period of Contractor's performance shall begin on January 1, 2022, and end on December 31, 2026. This Contract may be extended for two additional optional one-year amendments by agreement between the Parties.

5. *Prior Approvals.* This Contract shall not be binding unless and until all requisite prior approvals have been obtained in accordance with current State law, bulletins, and interpretations.

5A. *Sole Source Contract for Services.* This Contract results from a "sole source" procurement under State of Vermont Administrative Bulletin 3.5 process and Contractor hereby certifies that it is and will remain in compliance with the campaign contribution restrictions under 17 V.S.A. § 2950.

6. *Amendment.* No changes, modifications, or amendments in the terms and conditions of this contract shall be effective unless reduced to writing, numbered, and signed by the duly authorized representative of the State and Contractor.

7. *Contacts and Notices.* The contacts for this award are as follows:

	State Fiscal Manager	State Program Manager	For the Contractor
Name:	Tim Harvey	Kelly Gordon	Patrick G. Claussen
Phone:	802-585-8433	802-760-7472	617-653-9493
E-mail:	Tim.Harvey@vermont.gov	Kelly.Gordon@vermont.gov	Patrick.G.Claussen@gainwelltechnologies.com

To the extent notices are made under this agreement, such notices shall only be effective if committed to writing and sent to the following persons as representatives of the parties:

CONTRACTOR:	STATE:
Patrick G. Claussen 28 Walnut Street Suite 245, Building C Maple Tree Place Shopping Center Williston, VT 05495	DVHA General Counsel Department of Vermont Health Access (DVHA) NOB 1 South, 280 State Drive Waterbury, VT 05671-1010 AHS.DVHALegal@vermont.gov

8. *Termination for Convenience*. This Contract may be terminated by the State at any time by giving written notice at least one hundred and twenty (120) days in advance. In such event, Contractor shall be paid under the terms of this contract for all services provided to and accepted by the State prior to the effective date of termination.

9. *Attachments*. This Contract consists of 119 pages including the following attachments which are incorporated herein:

Attachment A – Statement of Work
- Exhibit 1 – State Functional and Technical Requirements for Base Services
- Exhibit 2 -- Service Level Agreement

Attachment B – Payment Provisions
Attachment C – Standard State Provisions for Contracts and Grants
Attachment D – Other Provisions for IT Systems Implementation
Attachment E – Business Associate Agreement
Attachment F – Agency of Human Services Customary Contract Provisions
Attachment G – Subcontractor Compliance Form

10. *Order of Precedence*. Any ambiguity, conflict or inconsistency between the documents comprising this Contract shall be resolved according to the following order of precedence:

1) Standard Contract
2) Attachment D
3) Attachment C
4) Attachment A with Exhibits
5) Attachment B
6) Attachment E
7) Attachment F
8) Attachment G

WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS CONTRACT

STATE OF VERMONT	CONTRACTOR
DEPARTMENT OF VERMONT HEALTH ACCESS	GAINWELL TECHNOLOGIES LLC

DocuSigned by:
Adaline Strumolo
ABEDE75BDF50473...
12/29/2021

ADALINE STRUMOLO DATE
ACTING COMMISSIONER
NOB 1 South, 280 State Drive
Waterbury, VT 05671-1010
Phone: 802-241-0239
Email: Adaline.Strumolo@vermont.gov

DocuSigned by:
Paul Saleh
3DBA3AD6E7484C0...
12/28/2021

PAUL SALEH, CEO DATE
355 Ledgelawn Drive
Conway AR 72304
Phone: 703-245-4600
Email:
Paulsaleh@gainwelltechnologies.com

ATTACHMENT A
SPECIFICATIONS OF WORK TO BE PERFORMED

I. MMIS Base Operations: Application Software and Services

Contractor shall provide the following applications and staff services set forth in this Section I. The Services shall meet the functional and technical requirements of the State set forth in Exhibit 1 to this Attachment A ("Requirements") and the service levels set forth in Exhibit 2 to this Attachment A, Service Level Agreement.

Contractor leadership and State leadership shall meet regularly to develop and implement operational process improvements in any or all business areas. The priority of the various improvements will be assessed by the value and impact to various stakeholders. Process improvements may be changes to documentation, meetings, trainings, business process, etc., and may not necessarily require IT changes.

Contractor's services shall be in accordance with the latest release of the Medicaid Information Technology Architecture (MITA) Framework.

A. Provider Management

Contractor shall capture, manage, and maintain information for the State's prospective or enrolled health care Providers ("Providers") and support Provider eligibility determination and enrollment business processes. Contractor shall support communications between the State and the prospective or enrolled Providers. Communication management functions include functions such as: Provider correspondence and notifications, outreach and education, enrollment and revalidation, and Provider appeal management and tracking within the Provider Management Module (PMM) system.

Contractor shall maintain PMM Software as a Service (SaaS) solution consisting of multiple modules hosted in a cloud platform. The system serves the Vermont Provider community and the State by enabling the following: Provider Enrollment, Provider Screening and Workflow, Provider Portal for data maintenance, and Provider Management for internal user access to Provider records.

PMM Release Management

Contractor shall make PMM periodic SaaS releases and software updates available to the State. Contractor shall coordinate with the State on periodic release projects to ensure the State remains on a supported version of the solution. Contractor shall publish software documentation specific to each PMM release including release schedules, release notes, and software documentation.

Each release of PMM functionality shall follow testing best practices and key test levels to include System Integration Testing and User Acceptance Testing, and standardized defect management processes.

Contractor shall provide services and applications to support Provider Management, including but not limited to the following impacted MITA Business Processes:

i. EE05 Determine Provider Eligibility

ii. EE06 Enroll Provider
iii. EE07 Disenroll Provider
iv. EE08 Inquire Provider Information
v. PM01 Manage Provider Information
vi. PM02 Manage Provider Communication
vii. PM03 Perform Provider Outreach
viii. PM07 Manage Provider Grievance and Appeal
ix. PM08 Terminate Provider

Contractor shall provide Functional and Technical Requirements found in Exhibit 1 to this Attachment A.

B. Member Management

Contractor shall capture, manage, and maintain information for the State's enrolled Medicaid program participants ("Members"). Contractor shall receive detailed Member information from the State for use within Contractor-provided systems and services. Contractor shall use Member information to produce Member enrollment cards. Contractor shall maintain and manage supplemental Member information in support of MMIS processing rules and will capture Member financial payment information for Contractor-managed Member financial transactions. Contractor's MMIS shall support Member eligibility inquiries by enrolled Providers. Contractor's mailroom services shall include printing and mailing of member ID cards for Vermont Medicaid Members.

Contractor shall provide services and applications to support Member Management, including the following impacted MITA Business Processes:

i. EE02 Enroll Member
ii. EE04 Inquire Member Eligibility
iii. ME01 Manage Member Information
iv. ME02 Manage Applicant and Member Communication (Member Focused)

Contractor shall provide the Functional and Technical Requirements found in Exhibit 1 to this Attachment A.

C. Operations Management

Contractor shall provide Operations Management services to establish benefits configuration, authorize medical activities, process claims for payment, and adjust claims after the fact. Operations Management services include:

i. The receipt and adjudication of Provider claims to generate the appropriate disposition.
ii. Applying mass adjustments to previously adjudicated claims and all activities related to recovering funds that are determined to be overpaid due to third party liabilities.
iii. Detailing the plan(s), benefit(s), and rate information that must be created and maintained within the MMIS to successfully adjudicate the claims.
iv. Receiving the request for a prior authorization for a referral or service.
v. Tracking the authorization status and the information that must be referenced when processing the claim for the pre-authorized action.
vi. Third Party Recovery (TPL) activities.

Contractor shall provide services and applications to support Operations Management, including the following impacted MITA Business Processes:

i. OM05 Apply Mass Adjustment
ii. OM07 Process Claims
iii. OM14 Generate Remittance Advice
iv. OM18 Inquire Payment Status
v. OM20 Calculate Spend-Down Amount (Payment)
vi. OM27 Prepare Provider Payment
vii. OM28 Manage Data
viii. OM29 Process Encounters
ix. CM07 Authorize Referral
x. CM08 Authorize Service
xi. CM09 Authorize Treatment Plan
xii. FM02 Manage TPL Recovery
xiii. FM03 Manage Estate Recovery

Contractor shall provide the Functional and Technical Requirements found in Exhibit 1 to this Attachment A.

D. Financial Management

Contractor's Financial Management functionality shall support the ability to manage the financial services across State organizations and to manage multiple funds. The MMIS is the core Financial Management system for all Medicaid-funded programs in Vermont. Financial Management services include: Provider and Member payments; financial data management and reporting; IRS Form 1099 production; accounts payable and receivable processing; and general cash management activities.

Contractor shall provide services and applications to support Financial Management, including the following impacted MITA Business Processes:

i. FM01 Manage Provider Recoupment
ii. FM05 Manage Cost Settlement
iii. FM06 Manage Accounts Receivable Information
iv. FM07 Manage Accounts Receivable Funds (Collection/Refund)
v. FM08 Prepare Member Premium Invoice
vi. FM10 Manage Member Financial Participation
vii. FM11 Manage Capitation Payment
viii. FM12 Manage Incentive Payment
ix. FM13 Manage Accounts Payable Information
x. FM14 Manage Accounts Payable Disbursement
xi. FM15 Manage 1099
xii. FM17 Manage Budget Information
xiii. FM18 Manage Fund
xiv. FM19 Generate Financial Report

Contractor shall provide the Functional and Technical Requirements found in Exhibit 1 to this Attachment A.

E. Plan Management

Contractor's Plan Management functionality shall support the ability to detail the plan, benefits, rates, and payment methodologies required to process the claims. The activities include:

i. Plan Tracking and Reporting;
ii. Provide the data and reports required to analyze potential Benefits Plan changes;
iii. Policy Review / monitoring; and
iv. Manage and update reference information.

Contractor shall provide services and applications to support Plan Management, including the following impacted MITA Business Processes:

i. PL02 Maintain Program Policy
ii. PL04 Manage Health Plan Information
iii. PL06 Manage Health Benefit Information
iv. PL07 Manage Reference Information
v. PL08 Manage Rate Setting

Contractor shall provide the Functional and Technical Requirements found in Exhibit 1 to this Attachment A.

F. Premium Processing Service Management

For each plan year, Contractor shall make Vermont Premium Assistance (VPA) and Vermont Cost Sharing Reductions (VCSR) payments and recoupments to issuers (currently BCBS and MVP), for Qualified Health Plan (QHP) enrollments in the Vermont Health Connect system (VHC). As part of this effort:

i. Contractor shall retrieve VHC enrollment and subsidy data from the VHC SFTP site.
ii. For each cycle, Contractor shall provide the following reports to the State: cancel report, reject report, financial billing report, and remittance advice report.
iii. Contractor shall provide EDI 820x306 remittance advice files for carrier retrieval via a secure web-based site.
iv. Contractor shall send payments to carriers.

Contractor shall document and maintain technical requirements as agreed-upon between Contractor and the State.

G. Electronic Visit Verification (EVV) Service Management

In compliance with Section 12006 of the 21st Century CURES Act, Contractor shall provide commercial Electronic Visit Verification (EVV) SaaS software to be utilized by personal care providers, the State, and its agents. The EVV solution shall include a publicly available mobile EVV application for visit capture, telephony-based systems for visit capture, web-based software interfaces for visit maintenance and administration, and multiple types of data exchanges between the EVV solution and external IT systems. Visit data from the EVV solution, including aggregated data from agencies' own EVV systems, shall be made available in Contractor's MMIS for purposes of payment integrity and reporting.

H. Contractor & Business Relationship Management

Contractor and Business Relationship Management includes oversight and management of

subcontractors in alignment with MITA processes for these two MITA areas. These activities include relevant management of contracts and contractors on behalf of the State at the State's direction as well as oversight of business relationships associated with Memoranda of Understanding, Data Use Agreements, and work streams associated with the MMIS, as agreed upon by the State and Contractor.

Subcontractors

Contractor may subcontract for Electronic Visit Verification functionality. Additionally, Contractor may subcontract to perform certain IT management and procurement activities.

Subcontractors are subject to the State's terms and conditions as specified in Attachment C; Attachment D; Attachment E; Attachment F; and through Attachment G (Subcontractor Compliance Form) to this Contract.

I. Performance Management

Contractor shall provide performance management functionality including reporting and analytics across all processes, data, and aspects of the MMIS. The solution includes integrated capabilities that provide simple and efficient access to MMIS data including Claims, Financial, Provider, and Member details through the deployment of Business Intelligence and Reporting services that enable:

i. Development of additional reports, dashboards, and analytical models;
ii. Self-service capabilities that allow end-users to:
    a. Run a variety of prebuilt standard/parameterized reports and dashboards,
    b. Interactively query and drill into data and create reports and dashboards,
    c. Interactively model a variety of patterns, trends, scenarios and outcomes using prebuilt modeling and data mining applications,
    d. Administer and manage the library of reporting and analytics assets;
iii. Identify, prioritize, and plan additional analytics capabilities needed;
iv. Collaborate with the State to define requirements, acquire, and implement such capabilities; and
v. Provide analytics onsite training and support, as needed, for use of MMIS data, tools, and techniques to develop the State's analytics staff skills and knowledge.

Contractor shall provide services and applications to support Performance Management, including but not limited to the following impacted MITA Business Processes:

i. PE01 Identify Utilization Anomalies

Contractor shall provide the Functional and Technical Requirements found in Exhibit 1 to this Attachment A.

J. Contractor Staff Requirements

Key Staff

Contractor's Key Staff shall be dedicated to the State account, including time spent supporting regular Contractor corporate business activities and, excluding personal time off and other non-working time as allowed by law.

If a Key Staff position is or will be vacated, Contractor shall notify the State within 5 business days. The vacated Key Staff position must not be vacant for more than 60 calendar days. If the position is not filled within 60 calendar days of becoming vacant, the Service Level Agreement (SLA) for Key Staff will be triggered as stated in SLA #39 to Exhibit 2. The State can approve or veto candidates for Key Staff, prior to a candidate beginning work on the Vermont account. Key Staff positions are not billable by the hour to enhancements or projects, though they may support those activities.

Table 1 – Key Staff

Role / Group	Positions Located in Vermont	US Based Positions	Description
Account Executive	1		Responsible for client relationship, contract management, and overall service quality.
Application Delivery Manager	1		Overarching responsibilities for technical and systems services, including projects, systems maintenance, and technical operations.
Claims Services Manager	1		Responsible for claims processing and claims reference/rules maintenance.
Provider Services Manager	1		Responsible for provider services including help desk, enrollment, outreach and training.
Financial Services Manager	1		Responsible for provider payments, financial processing, financial reporting, and third-party liability recovery and related activities.
Infrastructure Services Manager		1	Responsible for management of infrastructure platforms, network services, office productivity.
Technical Services Project Manager		1	Responsible for SaaS vendor management, coordination of SaaS operations with the State, and coordination of technical maintenance and operations activities.
Security & Privacy Officer		1	Responsible for security management, deliverables, and coordination with state security officers.

Operational Staff Groups

Staff counted as part of the Operations Group Staff SLA must be US-based and allocated at least 75% to support of Vermont account activities, excluding personal time off and other non-working time as allowed by law. Where Operations Group staff have secondary assignments to provide backup support and coverage across multiple clients, reciprocal backup coverage for support of Vermont services is required.

If one or more staff in Operational Group roles is or will be vacated, Contractor shall notify the State within 10 business days. If the staffing level drops below the target, the SLA for Operational Staff will be triggered as stated in SLA #40 to Exhibit 2.

Staff Groups and Roles

Table 2 represents the minimum planned staffing levels for each business area, in support of State operations.

Staff Group	Included Roles	Minimum Staff Count
Key Staff	Account Executive, Application Delivery Manager, Claims Services Manager, Provider Services Manager, Financial Services Manager, Infrastructure Services Manager, Technical Services Project Manager, Security & Privacy Officer	8
Claims Operations Services Staff	Suspense Resolutions, Utilization Review, Reference Support, Document Control /Mailroom, Paper Claims Keying/Quality Control	8
Financial Services Staff	Financial, TPL, Adjustment Support	6
Provider Services Staff	Provider Service Representatives, Call Center, Enrollment, EDI Support	12
Application Services Staff	Business Analysts, Project Managers, Developers, Testers, Data Analysts, Reporting Functions, Batch Cycle Support	8
Quality and Account Services Staff	Policy Support, Quality Coordinator, Audit Support, Documentation/Publication Support, MMIS Training, local office and account support (procurement, technical, billing, reception, other)	4
	Subtotal – Minimum Assigned Staff Count	**46**

Operational roles that typically are provided by shared services teams (where Contractor staff is not usually assigned to a single client for the majority of their time) include: data center operation, network administration, systems administration, database administration, claims/OCR input, Software as a Service development and support, and leveraged print/mailroom functions.

Future written agreements (amendments or addenda) for new projects may include additional staffing requirements beyond those listed here. Contractor and State shall work together to determine an appropriate staffing level to support each project without impacting ongoing Maintenance and Operations work.

II. MMIS Base Operations: System Hosting, Administration, Operations, and Maintenance

Contractor shall provide system applications that conform to the specifications as outlined below and in Exhibit 1 - Functional and Technical Requirements for Base Services.

The State's existing MMIS systems are a combination of web-based and client-server applications hosted in Contractor-provided infrastructure and hosted in a Contractor-managed data center. Contractor shall provide dedicated private network connectivity between Contractor's private network and the State's private network. State staff will access the MMIS applications through the State intranet. Providers will access Contractor's web-based applications via the internet.

The application services hosted and supported by Contractor as part of the MMIS platform include:

i. MMIS AIM ("Advanced Information Management") online and batch application (State custom software);
ii. Citrix application servers or equivalent for hosting of MMIS desktop client applications (Contractor procured commercial software);
iii. Provider Management Modules (PMM) Software as a Service modules – Provider Portal, Provider Enrollment, Provider Screening, Provider Management (Contractor owned software as a service);
iv. Integration web services and tools for interfaces between MMIS AIM, PMM, and EDI systems (State custom software);
v. Provider application access to public static content and secure login to MMIS Provider online transactions (State custom software for vtmedicaid.com, Contractor owned software for PMM module access);
vi. MAPIR ("Medical Assistance Provider Incentive Repository") EHRIP ("Electronic Health Record Incentive Payment") application (for state internal use only for first two contract years) (Contractor owned software);
vii. EDI (Electronic Data Interchange) Interoperability Software as a Service safe harbor interface for standardized system-to-system trading partner file exchange (Contractor owned software as a service);
viii. State specific configurations of Contractor owned third-party software are State business rules that are considered State custom;
ix. Business analytics application for ad-hoc queries and reporting (Contractor procured commercial software; MMIS and analytics batch reports against MMIS and EVAH databases are State custom software);
x. Electronic Visit Verification Software as a Service for mobile app, web-based, and telephony-based visit logging and management (Contractor procured commercial software); and
xi. Provider Contact Center as a Service (CXaas) features, including help desk telephony, Automated Voice Response capabilities, and associated call tracking and reporting capabilities (Contractor owned software as a service).

A. Data and Application Services

Contractor shall host, operate, and maintain available MMIS systems, services, and data set forth in Exhibit 1, Functional and Technical Requirements and Exhibit 2, Service Level Agreement. Contractor shall ensure system availability by performing backups of MMIS data, files, and

software, and by providing Disaster Recovery services and plans for specified MMIS components as detailed in Exhibit 1, Functional and Technical Requirements.

The following table provides a summary of the functional software service descriptions provided with the MMIS systems, along with technology components utilized to deliver the service. Technology changes may occur over time to these areas, in support of State technology plans and modernization projects, and will be addressed through the Change Management process. Contractor shall provide the required infrastructure platforms and software to host these components.

Business Area	**Application Service Description**	**Software Vendor and Technology**
All	MMIS Core - AIM ("Advanced Information Management") MMIS online and batch application functions.	AIM software, (C, COBOL, PowerBuilder), CA Autosys (batch scheduler), Microfocus COBOL, SAP PowerBuilder, IBM DB2.
All	MMIS data exchanges and data exports with other modules and State systems. Includes data exchange for member eligibility, pharmacy benefits management, provider information, OnBase content management, visit verification, analytics/reporting, and others.	AIM software, JavaScript and Java custom integration services.
Operations (Claims) Management	DRG ("Diagnosis Related Grouping") grouping and pricing for inpatient claims.	CMS MS-DRG software
Operations Management	EDI (Electronic Data Interchange) services for EDI transaction file exchange and processing. Includes safe harbor EDI file exchange.	EDI Interoperability as a Service, Oracle Tuxedo (for EDI transaction management), Contractor EDI services offering.
Operations Management	Paper claims processing.	Impression Technology software (OCR) and services.
Provider Management, Eligibility & Enrollment Management	Provider credentialing, Provider data maintenance.	Provider Management Modules (PMM) as a Service.
Provider Management	Provider portal web application for Provider communications and self-service transactions.	Software as a Service, custom vtmedicaid.com website.
Provider Management	Provider telephony, call tracking, and AVR ("Automated Voice Response") systems.	Avaya software and telecom systems Contact Center as a Service systems for telephony and AVR, AIM software, Service Now Service Management software.

Member Eligibility & Enrollment Management	ID card production.	AIM software, Gainwell print facilities.
Plan Management	T-MSIS reporting.	Gainwell T-MSIS custom software component.
All	Reporting.	SAP Business Objects software, IBM DB2.
Operations, EHRIP Program	Online application and CMS interfaces for Provider attestations and incentive payments.	MAPIR product.
Operations, Electronic Visit Verification	Mobile and telephony-based visit logging for home health services, web-based access for visit maintenance and reporting, visit data aggregation and reporting.	Sandata software as a service including: Sandata mobile app for visit logging; Sandata telephony app for visit logging; web applications for caregivers and for state users; Sandata visit data interface visit data aggregation with agencies that possess their own EVV software; interface of aggregated visit data into MMIS; interface with consumer-directed financial system for exchange of caregiver, employer, and visit information.

B. Security

The Contractor shall be compliant and maintain compliance with HIPAA and other applicable State and federal laws, rules, and regulations regarding the confidentiality of Protected Health Information (PHI or ePHI), including the FIPS ("Federal Information Processing Standards"). The Contractor shall meet the confidentiality requirements set forth in detail in Exhibit 1 to this Attachment A, Functional and Technical Requirements, and Attachments D and E to this Contract. See also Security Deliverables and Timelines in Exhibit 2 (G) for additional requirements. Notwithstanding the schedule in Exhibit 2, the parties have agreed that Contractor may implement the requirements for security audit compliance over time and with multiple deliverables. The agreed-upon approach for security auditing is as follows:

- Annual SOC1 audits for fiscal agent operations and MMIS controls.
- Annual, independent third-party NIST security audit for MMIS services including modules and systems components supported by Contractor for the State. The NIST audit shall be performed against the most current version of NIST security standards as defined by this Contract.
- Software as a Service (SaaS) components provided within this Contract shall either be included in the scope of the annual Vermont MMIS security audit, or have separate, industry-standard security audit results provided to the State – SOC2, NIST independent assessment, HITRUST assessment. SaaS audit results shall be provided within an agreed upon schedule or within 45 days of the availability of updated audit results – whichever is earlier.

- Security audit results for physical and virtual hosting environments (cloud and private) maintained by hosting providers will be provided within an agreed upon schedule or within 45 days of the availability of updated audit results – whichever is earlier.
- A consolidated Plan of Actions and Milestones (POAM) shall be maintained by Contractor for all Contractor-provided modules.
- Results for any supplemental audits performed by Contractor for services within this Contract in addition to the above, will be shared with the State and included in the consolidated POAM.

C. Change Management

Change Management for review and authorization of State-requested change requests and specification orders shall be governed by and follow the DVHA Portfolio Change Control Plan posted at: https://dvha.vermont.gov/administration/grants-and-contracts/dvha-portfolio-change-control-plan .

Contractor shall, in consultation with the State and Providers, implement new or changes to existing Federal, CMS, or Vermont business and technical requirements. Changes are defined as enhancements or modifications to the Required Services, as set forth in this Attachment A and the Exhibits hereto and/or enhancements to the technical system features maintained by Contractor for the State.

Changes to service and systems requirements may be caused by events such as:

i. New state or federal policy;
ii. Changes to existing state or federal policy;
iii. Change in industry standards followed by Contractor or the State;
iv. Changes to data sets or integration of Contractor supported services with services maintained by the State or other business partners;
v. The desire for new or enhanced services or functionality; or
vi. A change in circumstance for previously approved changes or projects.

Contractor assistance in support of changes includes but is not limited to the following types of activities:

i. Revisions to memoranda of understanding, grant agreements and contracts;
ii. Project management and planning including project deliverables as specified by the State;
iii. Research, analysis, and documentation of business and technical requirements;
iv. Design, construction, testing, and implementation of technical changes;
v. Development and delivery of educational materials to State staff, to Contractor and other business partner staff, and to Providers;
vi. Communication and outreach to Providers and State departments; and
vii. Other business and technical assistance, as defined by the State.

Specification Orders (SOs)

i. Contractor shall deliver a Change Management Procedure to the State that outlines how Specification Orders (SOs) shall be documented, controlled, and implemented in alignment with the DVHA Portfolio Change Control Plan. The procedures shall describe

how the joint Contractor and State MMIS CCB ("Change Control Board") shall manage the process for review, acceptance, and rejection of SOs. The procedures also shall describe how SOs are prioritized to determine when work will commence and be completed.

ii. Contractor's Change Management Procedure shall identify and document where 'as a service' modules may require different procedures for requesting enhancements than with Vermont custom software components.

iii. An SO is a change for modifying the MMIS system or system outputs and for other related deliverables and activities summarized above as Contractor assistance in support of changes. SOs for MMIS system changes are intended to be used for routine system modifications. SOs also may be used to authorize use of existing project-specific funds.

iv. An annual budget for maintenance SOs is established within this Contract in Attachment B.

v. A budget for SOs or SO hours for specific projects is established within this Contract for each project as needed and in Attachment B.

vi. Maintenance SOs shall be developed, approved, and implemented using the process that is mutually agreed upon by Contractor and the State. This process is documented in a Standard Operating Procedure (SOP) maintained by Contractor.

Change Requests (CRs)

The State may, at any time by a written Change Request, propose changes to the scope, schedule, or budget for MMIS operations, or for new or existing projects as defined in the Modernization section described below and within Attachment B Payment Provisions. Such changes may include changes to the technical requirements or business services under this Contract and to identified project scope, schedule, or budget. Remediation to the MMIS to comply with Federal and CMS requirements will be performed in association with a CMS APD ("Advanced Planning Document") and handled as a project. The Change Request will specify the scope of the change and any required delivery dates.

Any Change Request shall be subject to the same terms and conditions of this agreement. Approved Change Requests shall be approved as specified in the DVHA Change Control Plan and executed for the State by an authorized signatory and for Contractor by an authorized signatory. Changes which require a material modification to project scope or deliverables, increases to the Contract Maximum Amount, an extension of the Contract term, or modifications to Attachment C or Attachment D shall require a Contract amendment. As required by State policy, all Change Requests occurring since the time of the last Contract amendment shall be consolidated into a Contract amendment when the next amendment is required hereunder.

Except as may be agreed to by the State, Contractor shall receive Change Requests in writing as specified by the DVHA Change Control Plan. The parties shall negotiate in good faith and in a timely manner all aspects of the proposed Change Request. No Change Request will have any force or effect unless executed as described above.

Reference Specification Orders (RSOs)

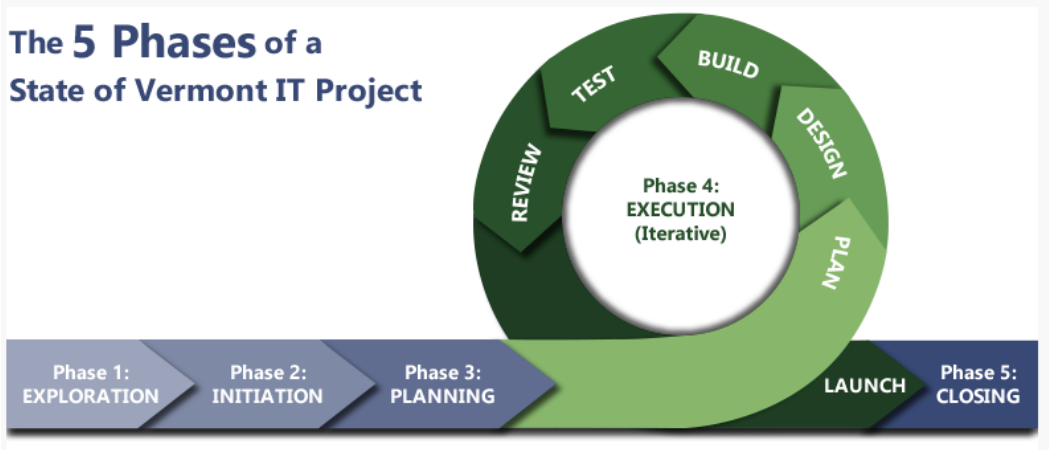
Reference Specification Orders are used when configuration updates to the reference tables and/or screens are needed. These changes are not governed by the DVHA Portfolio Change Control Plan or the MMIS CCB.

RSOs shall be developed, approved, and implemented using the process that is mutually agreed upon by Contractor and the State. This process is documented in a SOP maintained by Contractor.

D. Project Management

For work that is mutually identified and agreed to by both parties as being managed as a project, additional project management practices and deliverables shall be utilized and further defined as part of a Contract amendment or separate statement of work. Project Management practices employed shall follow the Vermont Agency of Digital Services (ADS) Enterprise Project Management Office (EPMO) processes as shown in Graphic One below.

Graphic One:

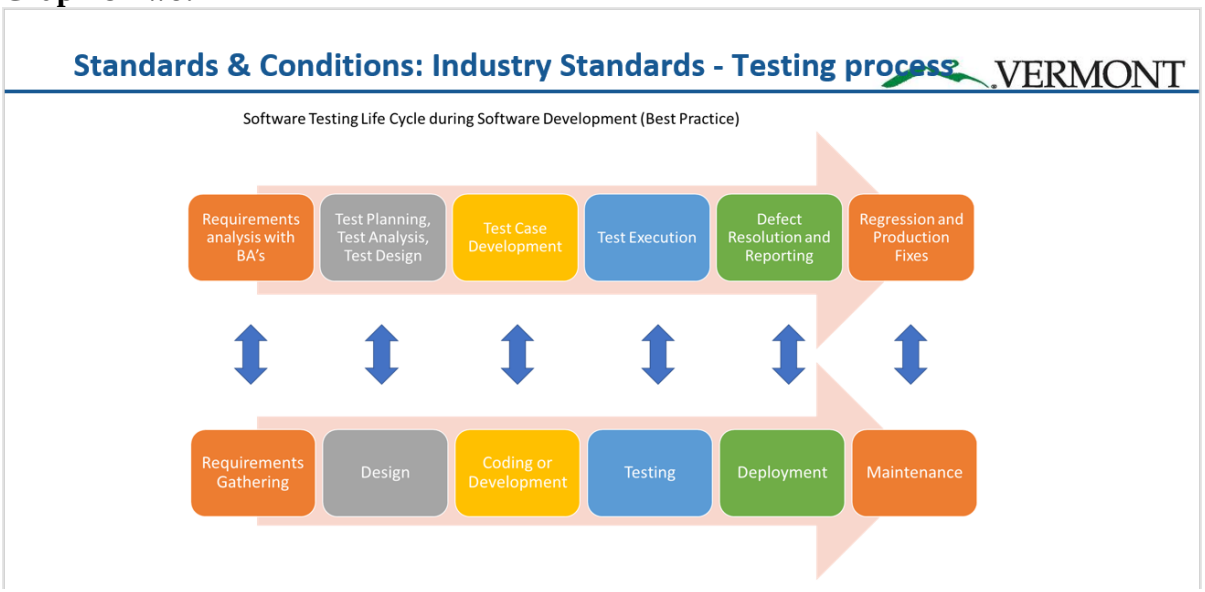


The State and Contractor may collaborate to tailor project processes and deliverables as appropriate and agreed upon by project leadership. Additional project guidance can be found on the ADS EPMO site: https://epmo.vermont.gov/project-process

E. Testing Expectations

Contractor and the State Quality Assurance (QA) team follow industry testing standards, such as the Americans with Disabilities Act, Section 508; the International Organization for Standards (ISO); International Electrotechnical Commission (IEC); Institute of Electrical and Electronic Engineers (IEEE); and International Software Testing Qualification Board (ISTQB). The below Graphic Two is a visual of the QA testing process for Waterfall projects:

Graphic Two:



F. Modernization Planning

At least once per year and when requested by the State, Contractor shall consult with the State to provide input into the State's MMIS Technology and Business Plans to include the following topics:

i. Identify risks and limitations of current services, including identifying dependencies between Contractor's provided technology and other Vermont enterprise systems.
ii. Define a roadmap of opportunities for incremental modernization and leveraging of software service and infrastructure components, in alignment with State technology architecture; and
iii. Define maintenance and operations approach and timelines, for updates to infrastructure and software.

The State's MMIS Technology and Business Plans will identify opportunities to update and improve business services and technical components of Vermont Medicaid systems. The common objective of these initiatives is to become more aligned with the CMS MITA Framework, including the CMS Conditions and Standards for Medicaid technology investments.

Such plans shall align with CMS and State standards, in particular:

i. Federal Standards Compliance
ii. CMS Conditions and Standards
iii. Technical Assistance related to CMS requirements
iv. Change order and APD management

For Modernization Planning purposes, Contractor shall make the State aware of new Contractor products which utilize or comply with SOA ("Service Oriented Architecture") and MITA principles, wherever possible, and leverage shared services which the State utilizes. The products recommended by Contractor shall meet commercially reasonable practices.

To assist the State in planning the transition of the MMIS to meet the State's strategic plan,

Contractor shall provide an IT architect to augment the current technical staff for the project. A leveraged technical architect shall provide an industry perspective of both commercial and State health care technology strategy.

III. Additional One-time, Ongoing, and Future MMIS Modernization Projects

This section provides a summary of MMIS projects that are planned or in progress. The Change Management process shall be followed for State authorization of Contractor's project work outlined in this section. This work is not included in the base scope detailed within Sections I and II of this Attachment A or included in the base price detailed within Attachment B. The State, at its sole discretion and upon availability of funding, may choose to initiate, continue, or stop work under any of these projects independently or otherwise. The parties shall agree to the timing and schedule of each of these projects.

Contractor shall employ accessibility standards, processes, and commercially reasonable practices and apply these to all end-user applications. As independent external IT delivery methodologies and standards (such as those listed in Section II.D) are modified, commercially reasonable practices shall be enhanced and applied to any projects affected.

A. Medical Assistance Provider Incentive Repository (MAPIR) Core Development

The MAPIR supports the Medicaid Promoting Interoperability Electronic Health Records (EHR) Incentive Program. Contractor shall provide the MAPIR web-based application to exchange data with CMS and to make payments and adjustments through its MMIS interface. Contractor support of the MAPIR application shall continue through December 31, 2023, to allow for audits of Medicaid incentive payments, provide program participants with access to their attestations and file uploads, process adjustments, send messaging back and forth with CMS, and for ongoing technical activities in support of State activities.

B. Payment and Delivery System (PADS) Reform

Contractor shall develop and implement MMIS enhancements to support the State's payment reform efforts in alignment with the Vermont All Payer Model Agreement and goals outlined in the 1115 Global Commitment to Health Waiver. Payment Reform enhancements include functionality to support value-based payment arrangements, increase provider flexibility to deliver care, and ensure data to evaluate program performance. MMIS PADS enhancement areas are identified in the table below.

Project
Vermont Medicaid Next Generation (VMNG) ACO Program
Mental Health Payment Reform *[with Department of Mental Health (DMH)]*
Residential Substance Use Disorder (SUD) Payment Reform [*with Vermont Department of Health (VDH)/ Alcohol and Drug Abuse Programs (ADAP)]*

Applied Behavior Analysis (ABA)
Developmental Disability Services *[with Department of Aging and Independent Living (DAIL)]*
Children's Integrated Services *[with Department for Children and Families (DCF)]*
High-Technology Nursing (HTN) *(with VDH and DAIL)*
Success Beyond Six [*with DMH and Agency of Education (AOE)]*
Brattleboro Retreat / Serious Mental Illness (SMI) *[with Agency of Human Services Central Office (AHSCO) and DMH)]*
Coordination of Benefits Initiative *(with multiple partners)*
Substance Use Disorder Treatment *(with VDH/ADAP)*
Private Non-Medical Institutions (PNMI) *(with DCF and DMH)*

C. T-MSIS Reporting Enhancement Project

The Transformed Medicaid Statistical Information System (T-MSIS) project within the MMIS Program addresses ongoing CMS recommendations to improve the data quality of, and add additional data elements to, the T-MSIS data files that are submitted to CMS monthly. A budget is established for monthly quality analysis, design, and implementation of further improvements to T-MSIS data quality. T-MSIS data includes:

- Enhanced information about beneficiary eligibility
- Beneficiary and provider enrollment
- Service utilization
- Claims and managed care data
- Expenditure data for Medicaid and CHIP

Contractor shall:

1. Deliver T-MSIS extracts pursuant to an agreed upon timetable and consistent with federal requirements.

2. Report, as directed by CMS, all managed care encounter and Fee-for-Service data and continue to work with the State, the T-MSIS CMS Contractors, and CMS to make continued improvements to data quality completeness.

3. Ensure T-MSIS extracts contain all available data and work with the State to obtain any data elements not currently available to support T-MSIS requirements.

4. Develop an annual T-MSIS extract improvement plan to be approved by the State to address data quality issues that impact the State's annual overall data quality assessment with a goal of moving to and then maintaining a "low concern".

5. Meet with the State project team biweekly to review open TPIs and other CMS high priority items, and develop a communication plan for monthly meetings with CMS.

6. Meet with CMS and the State project team on a monthly basis, and ensure communication to CMS is approved by the State prior to delivery.

D. Content Management (CM) platform: OnDemand Replacement Project

Contractor's OnDemand content management tool was replaced with the State-supported enterprise content management solution OnBase. Contractor shall complete project transition tasks such as file migration, user validation testing, and project closeout activities in early 2022.

E. Electronic Visit Verification (EVV) Phase II Project

The purpose of EVV enhancements is to ensure the State continues to be compliant with Section 12006 of the 21st Century CURES Act passed by the U.S. Congress in December 2016, which mandates States implement Electronic Visit Verification (EVV) solutions for defined personal care services. Contractor shall deliver the EVV solution as SaaS, which will be utilized by personal care providers, Home Health Agencies and staff, the State, and its agents.

Contractor shall make available to the State accurate, validated data on EVV visits to support the State in fulfilling CMS Outcomes-Based Certification requirements. Data shall be made available to the State according to the State's schedule.

The EVV Phase II work shall be handled as a customization request by the State and shall be billed in accordance with State-approved Specification Order, not to exceed the budgeted amounts listed in this Contract. Ongoing service charges shall be billed at the rates and frequencies specified in Attachment B.

Enhancement work shall be billed at the hourly rate specified in Section 10: Rate Per Hour Billing of Attachment B, or as authorized by the State through an approved Specification Order.

F. Payer-Initiated Eligibility Information Exchange (PIE) Transaction

PIE is a requirement of the Deficit Reduction Act (DRA) of 2005. The DRA of 2005 specifies data electronic exchange requirements for health insurers to send Member information to State Medicaid Agencies. Contractor shall create an easily repeatable, automated process to receive, match and upload health insurance information provided by insurers into the ACCESS and MMIS systems. Contractor shall modify the MMIS to support the CMS standard for transmission of PIE transaction data to be received and processed from insurance carriers licensed to operate in the State of Vermont. Contractor shall improve and automate current manual processes to identify members with other health insurance from insurer files, and upload other insurer information into eligibility, pharmacy, and MMIS systems. Contractor's MMIS technical work activities shall include analysis, design,

construction, project management and testing including integration testing between MMIS and ACCESS systems, and support of testing with additional carriers.

G. Cost Sharing Enhancement Project

Per 42 CFR §447.56(f), the aggregate cost sharing of premiums and copays for a Medicaid Member cannot exceed 5% of the Member's family income. The State intends to enhance cost sharing logic in MMIS and the Pharmacy Benefit Management (PBM) systems, to proactively discontinue Member copay charges on claims based on the Member's income threshold. Analysis and design activities began in 2021. Contractor shall deliver and maintain a Work Plan that identifies staff allocation and estimated hours to be worked, and shall deliver monthly status reporting for those activities performed by Contractor. Upon receipt of Contractor's Work Plan, State shall review and, if approved, provide written authorization of the Work Plan. Based upon State written authorization of the Work Plan, Contractor shall invoice the State monthly for actual hours worked.

For the Cost Sharing Enhancement Project, Contractor shall perform the following activities and make related MMIS Core Changes as detailed below:

MAGI Household MMIS Enhancements: receive and store enhanced VHC income file information to include household formation and expanded Member income data.

Copay calculation: MMIS calculates and stores updated copay information for Members weekly (after weekly PBM claims are received) based on a <5% household income threshold and sends Member copay info to PBM.

Medical claims processing: update MMIS claims processing to use new copay calculation information, to not deduct copay for claims where Member has exceeded threshold.

MMIS eligibility features: enhanced to include new copay determination, so that Providers can look up whether copay should be charged.

Update existing retro copay reporting and processes to find and reimburse any situations where copay was charged above the 5% federal cap (due to non-real time limitations).

MMIS to generate cost sharing cap notices to Members.

Provide Project Management support and deliverables

Other TBD system changes / contingency.

Produce Provider outreach, communications, documentation updates (included with existing Contractor Provider Services).

Cost Sharing Enhancement Project Deliverables

Contractor shall produce project deliverables, including a Deliverable Expectation Document (DED) for each. The DED shall define the content, format and acceptance criteria for each written deliverable, as agreed upon between Contractor and the State.

i. Business Requirements Document – including specifications for business rules and claims processing changes as necessary. Technical changes shall also be described, including configuration, tables and other technical changes required to implement the project. Requirement traceability shall be maintained throughout the project.

ii. Testing Plan – including testing approach, test scenarios and user stories. The document should also describe testing methodologies and all test environments, configuration and test data required.

iii. Test Cases – including all test results for review and approval by the State. Test cases should be mapped to business requirements and user stories where appropriate. Test case coverage of all requirements should be documented.

iv. Operations Manual – including cadence for regular reviews and updates of the manual.

Upon review and approval of each project deliverable, the State shall issue a Deliverable Acceptance Document (DAD). Receipt of the DAD signifies formal acceptance by the State. DADs for all project deliverables are required for Contractor to invoice for project retainage in accordance with Attachment B.

H. Act 48 Implementation

To support Vermont Act 48 (H.430), MMIS changes are needed relating to eligibility for Dr. Dynasaur-like coverage for all income-eligible children and pregnant individuals regardless of immigration status. Analysis and design activities began in 2021 with development, testing, and implementation activities planned to complete by July 2022.

In support of this project, Contractor shall assist with manually pricing a small number of claims under the program.

The State shall develop new program rules to govern the program. Contractor shall design and implement a new benefit plan in the MMIS, similar to other 'limited benefits' programs already in existence that provide essential coverage only. The State will work with Contractor to define project requirements and business rules to be implemented. Contractor shall deliver a Work Plan that identifies staff allocation for detailed analysis and design phase activities and shall deliver monthly status reporting for those activities performed by Contractor. Based upon State written authorization of the Work Plan, Contractor shall invoice the State monthly for actual hours worked.

Act 48 Project Deliverables

Project deliverables shall be produced for this project, including a Deliverable Expectation Document (DED) for each. The DED shall define the content, format and acceptance criteria for each written deliverable, as agreed upon between Contractor and the State.

i. Business Requirements Document – including specifications for business rules and claims processing changes as necessary. Technical changes shall also be described, including configuration, tables and other technical changes required to implement the project. Requirement traceability shall be maintained throughout the project.

ii. Testing Plan – including testing approach, test scenarios and user stories. The document shall also describe testing methodologies and all test environments, configuration and test data required.

iii. Test Cases – including all test results for review and approval by the State. Test cases should be mapped to business requirements and user stories where appropriate. Test case coverage of all requirements should be documented.

Upon review and approval of each project deliverable, the State shall issue a Deliverable Acceptance Document (DAD). Receipt of the DAD signifies formal acceptance by the State. DADs for all project deliverables are required for Contractor to invoice for project retainage in accordance with Attachment B.

I. MMIS Technology Refresh and Upgrades

Investment in updates to MMIS infrastructure and software are required to sustain MMIS technical and business operations, to meet contracted systems availability and other service levels, and to avoid disruptions to business operations for the duration of this Contract. Contractor plans to implement the following MMIS technology updates during the Contract term:

- MMIS server and network equipment infrastructure replacement for Vermont systems hosted in Contractor's Orlando Data Center. The refresh of the MMIS infrastructure platform may occur via replacement of existing equipment and/or migration to virtual Infrastructure-as-a-Service (IaaS) capabilities.
- MMIS software will be updated as required during the Contract period to ensure that maintenance and enhancements to software can occur, and to ensure the security of the systems. Software updates will include operating system upgrades and patching, database software, and other COTS software as identified in section II.A.
- Specific to operating system upgrades, in consultation with the State all Contractor's servers running with any of the following Operating Systems shall be upgraded to a newer, supported OS: Windows 2008 Datacenter R2 x64, Windows 2008 Enterprise R2 x64, Windows 2012 Datacenter, Windows 2003 Enterprise R2, Solaris 10 (SunOS 5.10).
- Contractor's Provider Contact Center phone system, automated voice response (AVR) system and call tracking CRM software shall be replaced during the Contract period approved by the State so that systems remain maintainable and to provide modern

capabilities to help ensure Vermont Providers receive a high quality of support.

The State shall participate in planning and scheduling for all technology refresh activities, including determination of the scope and level of involvement of State resources. A high-level plan and schedule for each refresh or upgrade activity shall be communicated by Contractor at an agreed-upon interval throughout the Contract period.

IV. Transition Services

Contractor Turnover and Closeout

Contractor shall reasonably collaborate with the State and its agents, and any Vermont Medicaid Enterprise vendors for a successful transition of each system component and Contract completion. Contractor collaboration with the State shall include the definition, execution, and results verification of the activities and deliverables identified in Turnover plans as necessary for an effective transition and turnover. Contractor shall cooperate and use its best efforts to avoid disruptions of processing and services provided to Members, Providers, partners, external stakeholders, and operational users with each component retirement and through the remainder of the Contract. Additionally, Contractor shall maintain fiscal agent responsibility through the effective date of the transfer of responsibility, through the completion of the final cycle processing, and through the completion of the reconciliation of final cycle processing conducted by the fiscal agent, including cycle data and report output. The State and its agents intend and agree that their respective rights, duties, powers, liabilities and obligations shall be performed, carried out, discharged and exercised reasonably and in good faith. Successful reassignment of business operations, documentation of business rules, maintenance, timely communication to the State and its agents of the turnover and closeout activities for each component and entire Contract are critical to the success of the turnover effort.

Contractor shall, upon the State's written request, commit to the following expectations:

- Be the primary responsible party for, to the extent reasonably in control of Contractor, the timely initiation and successful completion of the Contract turnover and closeout tasks.
- The content and criteria of each transition and turnover will be defined through the creation of a Deliverable Expectation Document (DED) submitted by Contractor and approved by the State.
- When a component of the system is retired, Contractor shall provide a Component Turnover Plan (CTP) for each component. For the completion of the entire Contract, Contractor shall provide an Overall Turnover Plan (OTP) with the timeframes and requirements for the plan(s) provided below. The overlap of CTP(s) and the OTP shall be outlined in each plan.
- Demonstrate readiness to turn over operation (to the State or a successor agent) and to fulfill (close out) the requirements of the component and/or Contract term.
- Complete turnover and closeout services, without interruption of business operations or quality of care to the State's clients and other agents.

- Operate the system in parallel with the new system until processes are verified complete and accurate.

Turnover Milestones in the DED shall include the following:

i. State request for turnover services
ii. Approved DED(s) for turnover deliverables
iii. State approval of each deliverable including the CTP(s) and OTP
iv. Completion of knowledge transfer
v. Completion of turnover
vi. Submission of Turnover Results Report

Transition Deliverables in the DED shall include the following:

i. CTP for each component and OTP for Contract closure.
ii. Statement of Resources.
iii. State-owned electronic MMIS data, reference configuration information, and other files provided to the State electronically.
iv. State-owned MMIS paper records provided to the State in their current formats.
v. Custom MMIS software components, files, and operations documentation as identified in the technology turnover section. Deliverables related to custom software include electronic versions of available software version history for computer source code programs, for compiled software code, for scripted programs and queries, for procedures for updating computer programs, and for available technical design and support documentation.
vi. Operational documentation including user, provider, and operation manuals needed to operate and maintain the system and to perform MMIS business services within scope of turnover.
vii. Work artifact records including history of State requests.
viii. Turnover Results Report.

Technology Turnover

The Parties acknowledge that customized components developed under this Contract by Contractor and paid for by the State that are up-to-date and being utilized by Contractor at the time of the transition shall be transferred as requested by the State. Custom developed MMIS software components for the State include the following:

- MMIS core AIM software – online screens, batch processes and job schedules, reports, and interfaces.
- MMIS Vtmedicaid.com web software – online screens, batch processes and job schedules, reports, and interfaces.
- MMIS Business Objects and analytics reporting – SAP software configurations, custom-developed queries and reports, batch processes and job schedules, and interfaces.

- Integration services between the MMIS custom components above and other software components – includes integration with Contractor-owned Provider modules, EDI interoperability module, MAPIR module, and other third-party software systems.
- The transfer of third-party software licenses, virtualized technology, and maintenance agreements to the State for third party software used in conjunction with custom software components, to the extent allowed under the third-party license agreements. If Contractor is unable to transfer any such licenses/technology/agreements, Contractor shall assist the State in procuring the same.
- Custom operational tools for deployment and maintenance of Vermont custom software components.

Contractor shall confirm a documented transfer of responsibility for physical equipment to the new agents(s), with the exact transfer dates determined by the State.

Contractor shall confirm a documented termination and/or transfer to the new agents(s) for any of the below services that may be transferred. If such services cannot be transferred, Contractor shall assist the State in establishing such services.:

- Telecommunications network services.
- Voice and data services used in the State's operations.
- Website domain names: in the event a website domain name cannot be transferred, Contractor shall provide a redirect plan to route users to the appropriate new domain.

Turnover and Closeout Requirements	Due Date or Operational Expectation
Contractor shall cooperate to develop and execute the CTP for each retiring component and the OTP for Contract completion as outlined that provides for an orderly, complete, and controlled transition. The CTP and OTP should include: i. Proposed approach to the turnover. ii. Definition of each turnover activity. iii. Sequence and schedule of activities. iv. Identification of who is responsible for each turnover activity (RACI). v. Identification of turnover deliverables	Contractor shall provide the CTP and/or the OTP prior to the retirement of each component within a timeframe designated by the State.
Contractor shall cooperate to implement the State-approved CTP/OTP within timeframes as directed by the State.	Contractor shall implement the CTP/OTP within the agreed upon date from the State.

Contractor shall provide documentation and training to the State and its agents as determined in the turnover requirements. Knowledge Transfer Includes: i. Claims processing data entry; ii. Computer operations, including cycle monitoring procedures; iii. Controls and balancing procedures; iv. Exception claims processing; and v. Other manual procedures	Contractor shall complete training for the retirement of a component and/or contract end date within the timeframe agreed upon by Contractor and the State.

Turnover and Closeout Requirements
Contractor shall reasonably cooperate with the State and the successor entity for finalization of the transition plan.
Contractor shall transfer business rules from the current system. This will include turnover of existing documentation for rules and extraction of electronic rules, reference, and configuration information from existing systems. Contractor shall cooperate with the State to extract the electronic rules and reference information in a format that can be utilized for subsequent transformation and loading into other systems.
Contractor shall provide the most recently updated copies of the following items to the State during the life of the Contract, as requested: i. A complete copy of the most recent/current MMIS source code for Vermont custom programs and components, including online, batch, subroutines, and utilities. ii. State-owned system software for production and test systems and environments. iii. State-owned documentation and code for stored procedures and system parameters. iv. State custom configuration settings and rules within third party and Contractor owned software v. Complete description of the hardware, software, and communications environment, owned or to be retained by the State, used by Contractor in support of the MMIS. vi. State-owned documentation of the data model and data dictionary, including detailed descriptions of the data fields. vii. Intranet- and internet-facing documentation, including documentation provided for public consumption via public portal websites.
Contractor shall provide reports to show completed processing of data entry backlog, pended transaction status, and other performance items as directed by the State.
Contractor shall, when requested, provide at no charge to the State existing staff supporting the State contract to assist with turnover activities including: i. The necessary technical and business subject matter experts (SME)s such as, systems analyst, business analyst, system architect, and data

SME. These individuals will possess knowledge of the business and system processes utilized to support the State Medicaid Enterprise. ii. These individuals will be required to be available prior to each component retirement and through the successful transition. If the State requests, these individuals should also be available to be onsite. iii. The individuals proposed by Contractor shall be approved by the State. iv. Contractor shall accept work, assignment, and oversight from the State. v. The work assigned to these individuals will be to support turnover activity. vi. The individuals will maintain full access to Contractor documentation generated to fulfill the obligations of the Contract.
Contractor shall provide reasonable access to appropriate Contractor personnel for discussion of problems or concerns with the State and its agents, within the turnover timeframe.
Contractor shall confirm a documented transfer of all management and administration artifacts, databases, communications, and materials on a medium approved by the State for each retiring component, in accordance with the timeframe in the approved DED.

Exhibit 1
Functional and Technical Requirements for Base Services

The Contractor shall perform the following specifications for services as set forth in Attachment A, Section I and II:

i. Providers

Req. #	Requirements
1.1	Process the following inputs: o Enrollment and application forms and provider agreements from Providers o Written and verbal Inquiries from providers o Additions and/or changes to provider data
1.2	Accept additions and/or changes to the provider master file within MMIS.
1.3	Accept National Provider Identifier as the Vermont Medicaid provider number when appropriate.
1.4	Accept MMIS updates of review or restriction indicators and dates on a Provider's record to assist the State in monitoring a Provider's medical practice.
1.5	Accept group provider numbers, and relate individual Providers to their groups, and the group to its individual Providers, with effective dates.
1.6	Accept retroactive rate adjustments to the provider file.
1.7	Accept changes to provider type categories
1.8	Deactivate provider records meeting specific criteria (e.g., no provider billing for three years).
1.9	Edit screen-entered data for presence, format, and consistency with other data in the update transaction and on the provider master file
1.10	Edit to prevent duplicate provider enrollment during an new enrollment or revalidation request.
1.11	Monitor provider enrollment to ensure that each provider has one provider number for each specified program and/or facility.
1.12	Monitor State licensure and certification data on a continuing basis.
1.13	Maintain provider applications from receipt to final disposition (approval/rejection) and indicate in MMIS.
1.14	Maintain rates by type of capitation, recipient program category, specific demographic classes, covered services, type of plan, and service area for prepaid health plan, or managed care providers.
1.15	Maintain MMIS update capability for multiple, Provider-specific reimbursement rates (e.g., per diems, case mix, rates based on levels of care, preferred provider agreements, volume purchase contracts or other cost containment initiatives) with beginning and ending effective dates for up to 10 segments.
1.16	Maintain audit trails of Provider name and number (including old and new Medicare numbers), or status changes.
1.17	Provide online access to up to 10 years of historical provider file data (e.g., provider rates and effective dates, provider program and status codes, and summary payment data).
1.18	Provide online access to the provider master file with inquiry by provider and group name and number, (Medicaid ID number or NPI)

Req. #	Requirements
1.19	Maintain the full Provider name, which may include the Provider's title if applicable, in the provider master file as a single field, at least 45 characters long, except for mailing purposes.
1.20	Maintain Providers' professional title (e.g., MD), if applicable.
1.21	Maintain effective dates for provider group membership, enrollment status, EMC billing data, restriction and on-review data, certification(s), specialty, claim types, and other user-specified provider status codes and indicators.
1.22	Maintain the number of beds and level of care, in addition to other State-specified data elements in up to 10 date-specific segments for LTC facilities (e.g., NF, SNF, ICF-MR) and other institutional providers (e.g., inpatient).
1.23	Maintain Provider enrollment status codes with associated date spans. Enrollment codes include: o Application pending o Enrolled for all programs o Enrolled only for special programs (e.g., waiver) o Preferred provider arrangement o Enrollment suspended o Terminated
1.24	Maintain enrollment specific codes (e.g., CLIA lab certification codes) which restrict the services for which providers may bill.
1.25	Maintain summary-level accounts receivable and payable data in the provider file that is automatically updated after each claims processing payment cycle by calendar and SFY to-date totals.
1.26	Identify services, procedure codes and/or specialty codes that restrict a Provider's billing.
1.27	Identify the entity through which a provider bills if a billing service or a clearinghouse is used.
1.28	Identify Providers that use electronic submittal of claims, electronic remittances, and/or electronic funds transfer
1.29	Identify multiple practice locations for a single provider.
1.30	Identify multiple addresses for a provider, including, but not limited to: o Pay-to o Mail-to o Email-to o Services location(s) o Legal o Prior Authorization
1.31	Identify Providers due for re- validation or re-licensing 90 calendar days; identify providers not responding within 45 calendar days of original notice.
1.32	Identify Agency or department funding source based on provider type or specialty if applicable.
1.33	Perform mass updates to provider rate information.
1.34	Produce enrollment approval letters. Produce enrollment denial letters when applicable.
1.35	Produce re- validation notices.
1.36	Verify provider's certification on the provider licensure date during process of Provider

Req. #	Requirements
	recertification.
1.37	Create and maintain an excluded Provider list process. Excluded provider list is manually posted to the State and/or Contractor website.
1.38	Identify and capture disclosing entities from providers
1.39	Perform monthly database checks with third party Contractor(s) to perform Death, Sanctions, Exclusions and Medical license Verification checks for providers and disclosing entities.
1.40	Maintain Risk Assessment assignment on provider record
1.41	Produce group mailings (including e-mail) and provider labels based on selection parameters such as provider type, zip code, specialty, district, town, county, and special program participation.
1.42	Produce alphabetic and numeric provider lists that can be restricted by selection parameters such as provider type, specialty, county, town, district, and enrollment status.
1.43	Maintain audit trails of changes to provider file data.
1.44	Produce provider cross-reference listings for FEIN, SSN, and license numbers.
1.45	Produce provider and other 1099 reports and associated payment reports.
1.46	Produce information required for institutional rate setting.
1.47	Produce standard reports depicting: o The status of provider applications in process. o Providers due for re- validation or re-licensing within 90 calendar days o Providers to be deactivated/purges due to inactivity o Growth in the number of active providers by provider type and specialty over time o Providers who have changes practice arrangements (e.g., from group to individual) by provider type
1.48	Provide MMIS inquiry screens that accommodate basic information is displayed on a single screen (e.g., name, location, number, provider type, specialty, certification dates, etc.)
1.49	Provide MMIS inquiry screens that accommodate charge file data
1.50	Provide MMIS inquiry screens that accommodate accounts receivable and payable data
1.51	Provide MMIS inquiry screens that accommodate information, such as addresses, group data, summary calendar, and State YTD claims submittal and payment data
1.52	Provide MMIS inquiry screens that accommodate listings by selection parameters such as provider type, specialty, county, town, district, and enrollment status
1.53	Provide MMIS inquiry screens that accommodate the number of beds in the facility and reimbursement rates for institutional providers.
1.54	Provide MMIS inquiry screens that accommodate on-review and special data (e.g., lab certification data).
1.55	Provide the Pharmacy Benefit Manager (PBM) – with provider enrollment and status data on an agreed upon scheduled basis.
1.56	Provide the Office of Inspector General (OIG), Medicare with provider data on an ad-hoc basis as required.
1.57	Maintain the provider master data set or master file.
1.58	Maintain methods to edit and verify accuracy of provider data.
1.59	Maintain an electronic or physical file on approved and denied providers. The approved

Req. #	Requirements
	provider file contains applications, provider agreements, copy of the provider license, and all correspondence relating to certification, enrollment or resulting in provider file updates. Files for denied providers include applications and documentation regarding the reason for the denial.
1.60	Maintain MMIS inquiry capability for prompt access to the provider files for State personnel.
1.61	Maintain regular communication with the applicable State agencies to perform certification and licensure verification. Verify certification in neighboring states for certifying out-of-state providers.
1.62	Maintain staffed toll-free telephone lines for provider inquiries about enrollment, billing, or claims.
1.63	Maintain a log of written and telephone inquiries that identify caller, nature of the inquiry, and outcome.
1.64	Maintain records of providers (by provider type) who participate in training sessions and submit to the State.
1.65	Maintain an inventory control on all forms.
1.66	Maintain PES (Provider Electronic Software), including updates, and make available to providers at no charge.
1.67	Update the provider master file daily to reflect changes brought to the attention of the Contractor by the State, providers, or from within.
1.68	Utilize National Provider Identifier File (NPF) if required by Federal or State rule.
1.69	Receive requests for enrollment and make enrollment forms available to providers.
1.70	Process provider enrollment applications, including reviewing returned packets for completeness and obtaining missing information. Enroll providers eligible to provide medical assistance services.
1.71	Notify providers of acceptance/rejection as a Vermont Medicaid provider and send accepted providers a Welcome letter containing the information for participation in and for billing the State for Medicaid services, to eligible recipients.
1.72	Verify required licenses, exclusions and certifications.
1.73	Educate providers about the Vermont Medicaid programs, the claims processing system and proper billing procedures through workshops, training sessions, presentations at professional association meetings, individual training, as needed, and the production and distribution of provider manuals and notifications.
1.74	Establish an organizational unit within the Contractor's Vermont operations that is responsible for provider communications, relations and training in a proactive manner and that assists providers with electronic claims submission procedures and processes.
1.75	Provide the State with monthly reports on all calls answered and on timeliness of written correspondence.
1.76	Make available at no charge to providers: o Provider Manuals o All consent forms (e.g., sterilization, abortion, hysterectomy, etc.). o And other State-specific attachments.
1.77	Inform providers about ECS, automated remittance, and EFT options, and work with

Req. #	Requirements
	providers to finalize appropriate formats for the data transfer.
1.78	Re-validate providers based on scheduled revalidation dates
1.79	Annually review and/or amend requirements for the Provider Training Plan, at the beginning of each Contract year, and submit to the State for approval.
1.80	Annually write, obtain State approval of, print when applicable, and distribute satisfaction questionnaires to providers.
1.81	Perform mass updates of the provider file.
1.82	Write, obtain State approval of, print when applicable, provide online and distribute: o Provider Manuals o Revisions to Provider Manuals o Banner o Publications (e.g., bimonthly Medicaid Advisory) o Biller education training materials o Annual Provider Satisfaction surveys
1.83	Update, maintain and distribute Provider Manuals and its supplements to providers. Provider Manuals must be available in both hardcopy and online versions. The online version will have a web-based interface and search capability.
1.84	The State in consultation with the Contractor shall determine if more or fewer supplements are required, and conditions and billing requirements change. The State shall approve all content.
1.85	The Contractor agrees that the State retains a perpetual nonexclusive license to the source code for the Provider Electronic Solutions (PES) system.
1.86	Resolve all calls within 14 days, excluding the time where the issue is with the State
1.87	Respond to all written inquiries within 14 days of receipt forwarding to the State when necessary no later than 15 days from receipt.
1.88	90% of all Providers surveyed must provide a response of "satisfied" or "very satisfied"
1.89	Provide back-up solution for AVRS to ensure downtime is limited to a max of thirty (30) continuous minutes

ii. Members

Req. #	Requirements
2.1	Process the following inputs: o Access Eligibility updates o Monthly member data reconciliation with ACCESS o TPL information that updates the member record
2.2	Accept daily updates of member eligibility master file records from ACCESS
2.3	Accept changes to selected fields on the member record through online, real-time entry for maintenance by State personnel.
2.4	Perform monthly reconciliation of member eligibility master file records with ACCESS.
2.5	Perform Medicare data exchange for member data using CMS data exchange protocols.
2.6	Edit data transferred from ACCESS for completeness and consistency, according to edit

Req. #	Requirements
	criteria established by the State.
2.7	Cross-reference current and prior member ID numbers, including any temporary ID numbers.
2.10	Identify potential duplicate member records during update processing.
2.11	Maintain historical member eligibility data online for up to 10 years for inquiry by member ID number, name or partial name, and other selection parameters (e.g., date of birth).
2.12	Maintain Medicare Part A thru D information.
2.13	Maintain current and historical date-specific eligibility data for basic and special program eligibility, Medicare coverage, and other member data that supports claims processing, and reporting.
2.14	Maintain a unique ID for each member.
2.15	Maintain the full legal member name in distinct fields, and cross-reference multiple surnames for the same member if an update transaction changes a member's name.
2.16	Maintain reason codes for eligibility termination dates (may not be required).
2.17	Maintain member restriction data to support claims processing (e.g., restriction type, provider number, and effective dates).
2.18	Maintain member limitation indicators.
2.19	Maintain online screens accommodate: o Basic demographic data o Historical eligibility segments o Restriction data o Medicare data o TPL Information
2.22	Assist the State in researching member file discrepancies.
2.23	Notify the State in a timely manner of discrepancies or errors identified in ACCESS eligibility files, including discrepancies in member data, and evidence of unsuccessful file transfer.
2.24	Produce member error reports for each eligibility transaction that fails one or more edits and deliver them to the State for resolution if the Contractor cannot resolve them.
2.25	Maintain the capacity to accept both manual and electronic input (e.g., HIV-AIDS eligibility process).
2.26	Appropriate controls and audit trails to ensure that the most current member data is used during each claims processing cycle.
2.29	Generate medical assistance member ID swipe cards Weekly. Minimize mailing costs by mailing all ID cards to the same household in a cost-efficient manner.
2.31	Maintain day-specific member eligibility; the AVRS accesses or extracts from the updated member file daily to ensure that only the current member eligibility data is transmitted to providers.
2.32	Maintain member eligibility data, including, but not limited to: o Date of Birth o Third-party coverage information o Restrictions o Benefit Exhaustion

Req. #	Requirements
	○ Copayment information
2.33	Assign a unique inquiry verification number to each eligibility inquiry.
2.34	Produce standard reports, including: Inquiry Summary with the number of inquiries received during the month, average wait time for inquiries by hour segment by day. System Downtime Number of inquiries
2.35	Maintain an Automated Voice Response System (AVRS) for providers to inquire about member eligibility.
2.36	Maintain a database containing all eligibility, TPL, and restriction information to operate a AVRS.
2.37	Supply the necessary HIPAA-compliant claim submission software (PES – Provider Electronic Software), free of charge, to providers.
2.38	Provide toll-free number to access the AVRS
2.39	Transmit a unique inquiry verification number to providers for each eligibility authorization.
2.40	Update AVRS source file daily, with data from the most up-to-date member file.
2.41	Provide for tracking all calls from providers.
2.43	Maintain online update and inquiry capability for access to the EPSDT files for State personnel.
2.44	Identify and report (from paid claims) members receiving EPSDT services.
2.45	Apply service enhancements to provider payments as directed by the State
2.46	Generate routine EPSDT notices based on periodicity schedule as defined by the State and send to State Print facility for production and mailing
2.47	Maintain system to support processing of batch and interactive 270 – Eligibility and 271 Eligibility Response transactions submitted by providers in compliance with HIPAA 5010 Standards

iii. Operations

Req. #	Requirements
3.1	Provide technical assistance to respond to providers who utilize ECS and are experiencing use and/or transmission problems.
3.2	Provide HIPAA compliant protocols for claim submissions.
3.3	Ensure that technical assistance is provided for designing the interface requirements of the provider's computer software to meet current or revised billing requirements
3.4	Provide claim Provider Electronic Software (PES) to providers that: ○ Is user friendly ○ Requires little user training ○ Allows for as much editing as feasible before transmission
3.5	Produce Remittance Advices (RAs) that are HIPAA-compliant
3.6	Maintain logs of all transmissions (e.g., successful, failed).

Req. #	Requirements
3.7	Maintain all current EDI standards in place as of execution of Contract Any future changes to the EDI Standards will be initiated through the change management process.
3.8	Include all appropriate electronic billing information in the Provider Manual.
3.9	Designate an appropriate signer for provider trading partner agreements; the Contractor is authorized to sign provider trading partner agreements.
3.10	May not process a claim that is older than 24 months from the date of service without an override authorization from the State.
3.11	Ensure that all payments made through the MMIS to enrolled providers are for approved services, and in accordance with Federal and State payment laws, regulations, procedures and guidelines.
3.12	Identify claims that have been incorrectly processed and enact appropriate action to correct processing outcomes.
3.13	When the Resolutions error rate exceeds threshold, the Contractor must provide corrective action plan for reducing the error rate.
3.14	Provide standard monthly reports to the State depicting overall error rate for Resolutions.
3.15	Coordinate with the State in resolving claims according to Federal and State laws, regulations and policies.
3.16	Coordinate with the State for ongoing analysis of resolution, edit and audit issues.
3.17	Properly distinguish paper claims and attachments.
3.18	Pre-screen and sort paper claims.
3.19	Assign an internal control number (ICN) to all paper claims; batch as appropriate
3.20	Assign the appropriate attachment code to paper claims to ensure proper association with TPL edits during the claims payment process and reporting.
3.21	Refer questions concerning attachments to the State or appropriate Contractor staff in order to properly handle paper claims.
3.23	Prepare and control incoming and outgoing claims-related mail, paper claims, attachments and other correspondence are retrieved and delivered at/to any site designated by the State, in the most effective and efficient means available.
3.24	Maintain controls to ensure no mail, claims, or checks are misplaced after receipt.
3.25	Identify upon receipt, each claim, encounter, adjustment, and financial transaction with a unique internal control number (ICN) that includes date of receipt, batch number, and sequence of document within the batch.
3.26	Identify activated claim batches that fail to balance to control counts.
3.27	Monitor the movement and distribution of claim batches once entered to ensure an accurate trail from receipt of claims through data entry to final disposition.
3.28	Track all claims, encounters, adjustments, and financial transactions from receipt to final disposition.
3.29	Provide electronic images to State's document management system of all paper claims, encounters, attachments, and adjustment requests, and remittance advices.
3.30	Maintain batch controls and audit trails for all paper and ECS claims.
3.31	Maintain an audit trail for each claim record depicting each processing stage, the date the claim entered in into each stage, and any error codes posted to the claim at each stage in processing.

Req. #	Requirements
3.32	Maintain positive control over the location of all claims, from data entry to adjudication.
3.33	Maintain online inquiry to claims, adjustments, and financial transactions, from data entry to adjudication, with access by member ID, provider ID, and/or ICN to include pertinent claim data and claim status.
3.34	Edit to prevent duplicate entry of electronic media claims.
3.35	Produce inventory management analysis by claim type, processing location, and age
3.36	Produce input control listings
3.37	Produce exception reports of claims in suspense in a particular processing location for more than a user-specified number of days
3.38	Reconcile all keyed paper claims to batch processing cycle input and output figures.
3.39	Retain paper documents and claims until the batch is fully adjudicated.
3.40	Log ECS media upon receipt and assign batch number and ICN when loading
3.41	Reconcile all ECS claims to batch cycle input and output.
3.42	Maintain balancing processes to ensure control within processing cycles.
3.43	Produce online and standard balancing and control reports.
3.44	Accept CMS-1500, Dental ADA and UB-04 paper forms as applicable
3.45	Accept and process X12N standards 827D-Dental; 837I-Institutional; 837P-Professional.
3.46	Accept and process the following additional forms: o Claim adjustment forms o TPL EOMBs o Sterilization, abortion, and hysterectomy consent forms
3.47	Accept paper or electronic claim formats from providers, billing services, clearinghouses, translators, and Medicare carriers and intermediaries.
3.48	Identify claims for services covered under various State programs, and those for programs covered under other State agencies and departments.
3.49	Allow online correction to claims suspended as a result of data entry errors.
3.50	Provide the capacity for key re-verification of critical fields, OCR data entry software editing, supervisor audit verification of keyed claims, or other methods, as determined acceptable by the State.
3.51	To perform all required edit/audit checks, and pass claims on to subsequent processing, Edit/Audit has the capability to: o Reformat claims into common processing formats. o Integrate multiple edit processing runs into a single audit processing run.
3.52	Identify error codes to claims that fail processing edits.
3.53	Identify status of claims (suspend or deny) that fail edits, based on the edit disposition file.
3.54	Identify potential TPL (including Medicare) and review the claim if it is for a covered service under a third-party resource.
3.55	Identify exact and suspect duplicate claims based on a cross-reference of group and rendering provider, multiple provider locations, and across provider and claim types.
3.56	Track edits and audits posted to the claim in a single cycle.
3.57	Disposition claims (return to provider for correction, fiscal agent correction, deny), based on the edit status or force code with the highest severity
3.58	Edit that TPL has been satisfied and that a TPL attachment is present if required; suspend

Req. #	Requirements
	claims for prepayment review for potential TPL based on amount billed, claim type, modifier, procedure code, diagnosis code, and other State-specified criteria.
3.59	Edit that services for which payment is requested are covered by the Vermont medical assistance programs.
3.60	Edit that attachments, per edit/audit requirements, are present.
3.61	Edit that allowable diagnosis and procedure codes are present on all appropriate claim types.
3.62	Edit for cost-sharing requirements on applicable claims.
3.63	Edit for suspend claims requiring provider or member prepayment review.
3.64	Edit for member eligibility on date(s) of service.
3.65	Edit for valid member using eight characters of last name and three characters of first name.
3.66	Edit for member participation in special programs against program services and restrictions.
3.67	Edit for authorization requirements and that a prior authorization number matches to an active prior authorization number.
3.68	Edit for daily limits on dollars or units, as needed.
3.69	Edit provider eligibility to perform type of service rendered on date of service.
3.70	Edit each data element of the claim record for required presence, format, consistency, reasonableness, and/or allowable values.
3.71	Edit nursing home claims against member placement level and admit/discharge information.
3.72	Edit prior authorized claims and reduce billed units or dollars, as appropriate, to remaining allowed units or dollars.
3.73	Edit each line on a multi-line claim independently and suspend or deny as appropriate
3.74	Edit each claim record completely during an edit or audit cycle.
3.75	Edit billing, attending, referring, and prescribing provider IDs for validity.
3.76	Maintain edit disposition to deny claims for services that require PA if no PA is identified or active.
3.77	Maintain flexibility in setting claim edits to allow dispositions and exceptions to edits based on bill/claim type, submission media and provider type.
3.78	Maintain up to 10 error code occurrences per claim header and up to 10 error code occurrences per claim detail or more as required by HIPAA.
3.79	Maintain a record of services needed for audit processing where audit criteria covers a period longer than 24 months (such as once-in-a-lifetime procedures).
3.80	Maintain functionality to process claims against an edit/audit criteria table and an error disposition file (maintained in the Reference Subsystem) to provide flexibility in edit and audit processing.
3.81	Perform automated Crosschecks and relationship edits on all claims.
3.82	Perform automated Audit processing using claims history, suspended claims, and same cycle claims.
3.83	Perform automated Edits using duplicate audit and suspect-duplicate criteria to validate against history and same cycle claims.
3.84	Provide, for each error code, a resolution code, an override, force or deny indicator, and the date that the error was resolved, forced, or denied; forced claims shall carry the user ID.
3.85	Accept overrides of claim edits and audits in accordance with State guidelines.
3.86	Update claim history files with paid and denied claims from the previous audit run.

Req. #	Requirements
3.87	Easily change the disposition of edits to suspend/ignore or deny for a specific claim type(s), provider types(s), media,
3.88	Produce an explanatory message printed on the provider remittance advice.
3.89	Manually and systematically review claims that suspend based on any of the edit/audit criteria.
3.90	Process "special" claims, including: o Late billing approved for payment by State personnel o Member retroactive-eligibility o Out-of-state emergency o Services required as a result of a fair hearing or M108 decision o Others, according to State instructions
3.91	Maintain the edit/audit disposition indicator on an error disposition file in the Reference Subsystem. This file shall also indicate whether a particular edit can be forced or overridden.
3.92	Identify the price claims per the date-specific pricing data and reimbursement methodologies on date of service on the claim.
3.93	Identify and deny claims for bundled services (e.g., hospital outpatient, certain pre-natal care and school health services) otherwise covered for items included in rates for inpatient stays.
3.94	Maintain access by State personnel to pricing and reimbursement methodologies.
3.95	Maintain fee schedules and RBVRs for physicians, dentists, and other practitioners
3.96	Maintain per diems for inpatient and certain waiver services
3.97	Maintain Fee schedules for laboratory and radiology outpatient services
3.98	Maintain Fee schedules for some bundled hospital outpatient services
3.99	Maintain multiple prices for: o Revenue codes based on the claim type of bill and service o Procedure codes based on provider type and specialty.
3.100	Price modifiers attached to procedure codes.
3.101	Accept and deduct co-payments.
3.102	Deduct patient liability amounts when pricing nursing home claims
3.103	Deduct TPL amounts, as appropriate.
3.104	Maintain sufficient staff to manually price certain claims per State-specified criteria.
3.105	Maintain a method to process any specific claim(s) for payment, as directed by the State, on an exception basis, and maintain an audit trail.
3.106	Maintain the capacity to test new logic and pricing against all edits/audits and other adjudication rules using model office.
3.107	Price claims per State policy, benefits, and limitations.
3.108	Process Medicare co-insurance and deductible charges from providers on paper and electronic media.
3.109	Make available, upon request of the State, pricing logic and/or fee schedules for a defined set of modifier or procedure codes.
3.110	Provide online claims resolution for all claim types.
3.111	Provide access to related provider data through windowing, split screen, or other electronic technique.
3.112	Provide access to related member data through windowing, split screen, or other electronic

Req. #	Requirements
	technique.
3.113	Provide access to related reference data through windowing, split screen, or other electronic technique.
3.114	Provide access to the status of related limitations for which the member has had services, such as the number of office visits paid per month
3.115	Maintain claim correction screens that display claims data as entered or subsequently corrected.
3.116	Maintain inquiry and update capability to claim correction screens with access by ICN, provider ID, member ID, and/or claim location.
3.117	Maintain claims in suspense until corrected, automatically recycled, or automatically denied per State specifications.
3.118	Maintain error codes and messages that clearly identify the reason(s) for the suspension; display failed edits on screens to facilitate claim correction.
3.119	Identify and provide access to potential duplicate claims and related claims data from the claims history and status files through windowing, split screen, or other electronic technique.
3.120	Identify users who can perform a force or override on an error code based on individual user IDs or authorization level.
3.121	Assign a claim status of "pended" to claims to be corrected.
3.122	Completely re-edit corrected claims
3.123	Refer claims to the State for correction per policy.
3.124	Correct manually and systematically suspended claims from edit and audit processing.
3.125	Override claim edits and audits in per State guidelines.
3.126	Monitor the use of override codes during the claims correction process to identify potential abuse, per State guidelines.
3.127	Manually review claims that suspend for medical review, and refer claims to State medical personnel as needed.
3.128	Maintain online access to claims and sufficient information to produce claims processing reports for State and Contractor personnel.
3.129	Maintain 3 years of adjudicated (paid and denied) claims history on a current, active claims history file for use in audit processing, online inquiry and update, and printed claims inquiries, including: o Diagnosis code at the header and detail level o Up to five procedure codes o Billing, submitting and attending provider ID o Up to 10 error codes at the detail level, or more as required by HIPAA o Billed, allowed, and paid amounts, including other insurance payments o Date of service, date of adjudication, date of payment
3.130	Maintain a record of services that, due to State policy, are required for processing for a longer span of time than that covered by the active claims history (such as once-in-a-lifetime procedures) on active claims history for audit processing.
3.131	Maintain batch detail reporting by submission number and provider ID.
3.132	Maintain claim detail reporting by provider ID or member ID.
3.133	Provide online inquiry to suspended claims and their current status, showing claim detail and

Req. #	Requirements
	the edits/audits applied to the claim, with access by control number, provider ID, member ID, and/or location code/status within the MMIS.
3.134	Provide online inquiry to summary screens with claim files with the number and dollar amounts of claims, based on multiple selection criteria, including, but not limited to: o Member number o Provider number o Claim control number o Dates of service o Dates of payment o Claim status o Claim type o Provider type o Remittance number
3.135	Perform daily edit, audit and pricing
3.136	Perform weekly one payment processing cycle.
3.137	Track, update and report claims inventory after each claims processing cycle
3.138	Accept and process a weekly pharmacy claim adjudication file from the PBM prior to the weekly financial cycle.
3.139	Produce a Daily Prescriber file with all applicable prescriber enrollment data for the PBM
3.140	Produce a Daily Pharmacy file with all applicable pharmacy enrollment data for the PBM.
3.141	Produce a Weekly Adjudicated claims file with all paid, adjusted or voided claims for the PBM.
3.142	Provide standard reports that depict the following: o Claims Inventory management analysis by claim type, claim processing location and activity, and claim age. o Claim receipts and production, by type of media, and processed to a finalized status. o Inventory trends. o Claims and payments after each payment cycle, by claim type and MARS category of service. o Status of paper claims and ECS transmissions o Error code analysis by claim type, provider and/or input media o Edit/audit over-ride analysis by claim type, edit/audit and user ID. o Prompt payment reports o Dental Missed appointment reporting o Denied claims – trend by Month o Deleted claims – trend by Month
3.143	Provide online inquiry and access to claims history files and the status of suspended claims for Contractor and State personnel.
3.144	Provide upon request, the State with paper claims, adjustments, and attachments.
3.145	Provide audit trail of the PBM interface claims data which includes transaction dates, records received, record status
3.146	Maintain a claims control and inventory system
3.147	Provide system with capability to identify the status of claims where PA was referred for

Req. #	Requirements
	payment (e.g., paid, suspended, and denied).
3.148	Maintain a modified PA record based on claims processing to indicate that the authorized service has been completely or partially used, including units and/or dollar value.
3.149	Maintain a data set with the following information in order to update the modified record: o Unique PA number o ID of the requesting provider o Member ID for whom services are being requested
3.150	Provide online inquiry screens with access to the PA data set, which includes, but is not limited to approved, denied, and pended PAs for Contractor and State personnel.
3.151	Provide standard reporting including frequency of service codes requested and authorized.
3.152	Interface with the State contractor for PA functions to receive and process prior authorization information.
3.153	Language Intentionally Omitted
3.154	Maintain complete audit trails of adjustment processing activities on claims history files.
3.155	Maintain original claims and the results of adjustment transactions in claims history; link all claims and subsequent adjustments by ICN.
3.156	Maintain an adjustment reason code that indicates the reason for the adjustment and the disposition of the claim (e.g., additional payment, recovery, history only) for use in reporting the adjustment.
3.157	Maintain an online mass-adjustment selection screen, limited to select users, to enter selection parameters such as time period, provider number(s), member number(s), service code(s), and claim type(s); claims meeting the selection criteria will be displayed for initiator review, and the initiator will have the capability to select or unselect chosen claims for continued adjustment processing.
3.158	Maintain a mass adjustment process which identifies claims affected by the adjustment, create adjustment records for them, reprocess them, and maintain a link between the original and adjusted claim.
3.159	Update claims history with appropriate financial records and reflect adjustments in subsequent reporting, including TPL claim-specific recoveries.
3.160	Identify the claim to be adjusted, display it on a screen, and adjust the fields with minimal entry of new data.
3.161	Reverse the amount previously paid and then process the adjustment.
3.162	Process the adjustment offset in the same payment cycle as the adjusting claim.
3.163	Re-edit, re-price, and re-audit each adjustment, including checking for duplication against other regular and adjustment claims, in history and in process.
3.164	Allow online changes to the adjustment claim record to reflect corrections or changes to information during the claim correction (suspense resolution) process.
3.165	Mass-adjust to re-price claims for retroactive pricing changes, member or provider eligibility changes, and other changes necessitating reprocessing of multiple claims.
3.166	Prevent multiple adjustments to a single claim record; apply successive adjustments to the most current version of the claim.
3.167	Maintain third-party information by member including: o Name, ID number, date of birth, date of death, SSN of eligible member

Req. #	Requirements
	○ Policy number or Medicare ID number and group number ○ Name of policyholder, relationship to eligible member, SSN of policyholder ○ Assignment/subrogation ○ Cost-avoidance bypass indicator ○ Origin code ○ Employer name and address ○ Type of policy and coverage, effective date of coverage ○ Insurance carrier ID
3.168	Maintain third-party insurance carrier information including: ○ Carrier ID and name ○ Correspondence address ○ Contact person and phone number ○ Claims submission address
3.169	Maintain, for each member: ○ Date-specific TPL resources (including Medicare). ○ Historical information on third-party resources.
3.170	Cross-reference insurance carrier data with employer data.
3.171	Accept online inquiry and updates of TPL and carrier data.
3.172	Accept batch updates to TPL data from ACCESS.
3.173	Accept user-defined input selection parameters to identify paid claims for tracking and potential recovery.
3.174	Maintain online inquiry TPL data by member name, member ID, policy number, Medicare ID number, coverage type and SSN
3.175	Maintain insurance carrier data by carrier name and carrier number.
3.176	Edit online transaction data for presence, format, validity, and consistency with other data in the update transaction and TPL files.
3.177	Edit all batch input transactions from interfacing systems and data match processes to ensure consistency and validity of data.
3.178	Identify members for whom insurance premiums are to be paid, including effective dates and amount of payment.
3.179	Identify cost avoided payments due to established TPL.
3.180	Identify previously paid claims when TPL resources are identified or verified retroactively and generate claim facsimiles for submission to insurance carriers for recovery.
3.181	Generate claim facsimiles for all claim types, with selection by member ID, provider ID, claim type, and dates of service.
3.182	Produce and maintain an insurance carrier receivable for post-payment recoveries.
3.183	Track individual and multiple claims that reach a set State-defined threshold (e.g., $200) for post-payment recovery on trauma cases.
3.184	Produce standard reports including: ○ Amounts billed and collected, current and YTD, by insurance carrier ○ Potential trauma or accident claims, including those exceeding threshold allowances. ○ Services subject to potential recovery when date of death is reported ○ Unduplicated cost-avoidance by medical assistance program category and type of

Req. #	Requirements
	service, with subtotals and totals o Insurance carrier file listings o Audit trails of changes to TPL data. o Summary and detail reports on premiums paid
3.185	Generate automated letters to insurance carriers and members when recoveries are initiated
3.186	Generate claim facsimiles to insurance carriers in CMS-1500, Dental ADA or UB-04
3.187	Provide online update and inquiry access to TPL carrier file, resource file, case tracking, and AR file for State personnel.
3.188	Produce claim facsimiles to bill insurance carriers for paid claims when retroactive resources have been identified, and mail out with appropriate cover letter.
3.189	Perform follow-up and verification of changes to member coverage identified during claims processing.
3.190	Produce inquiry letters and mail to members, providers, and carriers in specified situations.
3.191	Maintain member date-specific LTC data including: o Admission and discharge dates o Home leave of absence and hospital hold bed days o Patient financial liability information o Member placement level o Date of death
3.192	Maintain provider/facility date-specific LTC data including: o Current and historical data to support claims processing and reporting. o Bed classification o Reimbursement rate o Type of facility (e.g., NF, SNF, ICF-MR)
3.193	Identify member liability amounts, Medicare and other third-party resources, and deduct them from payments to providers.
3.194	Track member liability amounts owed to the State
3.195	Track member leave days
3.196	Produce standard reports, including: o Member liability amounts owed – credit balance report o Member share discrepancy o Audit trail of changes to LTC data
3.197	Report all suspected provider fraud and abuse to the State

iv. Financial Services

Req. #	Requirements
4.1	Maintain payment mechanisms (e.g., checks, EFT) to providers, members and carriers.
4.2	Maintain provider ARs and deduct appropriate amounts from processed payments.
4.3	Generate capitation and insurance premium payments with supporting detailed documentation.
4.4	Generate checks for insurance premiums for TPL identified recipients

Req. #	Requirements
4.5	Suppress check generation for certain State programs, as directed by the State, but identify expenditures for budget reconciliation
4.6	Suppress zero-balance checks generation but still generate associated RAs.
4.7	Automatically establish an accounts receivable for a provider if the net transaction of claims and financial transactions results in a negative amount, and the provider has no active accounts receivable on file.
4.8	Update payment data and 1099 data.
4.9	Generate HIPAA-compliant remittance advices (RAs).
4.10	Print banner page text messages on RAs, with multiple messages available on a user-maintainable text file, with parameters such as provider type and payment cycle date(s).
4.11	Maintain a process to identify overpayments.
4.12	Once an overpayment is resolved, flag the transaction which created the overpayment.
4.13	Provide a written factual determination as to how overpayment arose with the amount of the overpayment, for new overpayments each week.
4.14	The Contractor must obtain prior approval from the State before initiating recovery activities from providers that are not considered routine. The Contractor may recoup routine overpayments from providers without State approval.
4.15	The following steps may be employed by the Contractor to recoup overpayments from providers: o Reduce subsequent provider reimbursement by the overpayment amount o Deny subsequent claims with subsequent problem until overpayment is satisfied. o Issue a demand letter to the provider if the provider has no further claims activity within 30 calendar days of the first RA reflecting the overpayment. If the provider is unresponsive or has no further claims activity, continue to mail demand letters at 60 and 90 days. Once the account receivable has aged 120 days, it will be turned over to the State's Program Integrity Unit.
4.16	Maintain online access and update to accounts receivable data to process and report financial transactions by type of transaction and provider or other entity (e.g., carrier). The data includes: o Provider number/entity identification o Account balance o Percent or dollar amount to be withheld from future payments o Reason indicator o Type of collection o Program and authorizing agency to be charged o Lien holder and amount of lien o 1099 adjustment indicator
4.17	Maintain online inquiry to financial information with access by provider ID or entity ID including: o Overpayment information o Receivable account balance and established date o Percentages and/or dollar amounts to be deducted from payments o Type of collections made and date

Req. #	Requirements
	○ Both financial transactions (non-claim-specific) and adjustments (claim- specific) ○ Data to meet CMS-64 reporting
4.18	Maintain online lien and assignment information to be used in directing or splitting payments to the provider and lien holder
4.19	Provide cash management techniques that meet the requirements of the Cash Management Improvement Act of 1990, using the "Zero Balance" or "Checks Paid" method.
4.20	Track cash received at the Contractor's facility.
4.21	Track each financial transaction, balance each batch, and maintain appropriate audit trails on the claims history file.
4.22	Track financial transactions, by source, including TPL recoveries, fraud and abuse recoveries, provider payments, etc.
4.23	Set up provider accounts receivables that can be either automatically recouped from claims payments or satisfied by repayments from the provider, or both.
4.24	Accept claim-specific and gross recoveries, regardless of submitter (provider, carrier, recipient); apply gross recoveries to providers or recipients as identifiable.
4.25	Apply monies received toward recoupment to the accounts receivable file, including the RA date, number, and amount, and transfer that data to an online provider paid claims summary.
4.26	Identify a type and disposition on refunds or payouts.
4.27	Identify providers with credit balances and no claim activity during a State-specified number of months.
4.28	Identify and track shared expenditures with other departments.
4.29	Link refunds to the specific claim affected, per cost-effective State guidelines.
4.30	Generate provider and other 1099 reports annually, which indicate the total paid claims minus recoupments or credits.
4.31	Generate overpayment letters to providers when establishing accounts receivables.
4.32	Adjust provider and other 1099 reports with payout or recoupment amounts issued in the accounts receivable file.
4.33	Accommodate manually issued checks as required by the State and posting to the specific provider's account to adjust the provider's 1099 report and set up recoupment criteria.
4.34	Accommodate issuance and tracking of non-provider-specific payments (e.g., refund of an insurance company overpayment) and adjust expenditure reporting proportionately.
4.35	Process fiscal pends, wherein payments are held on adjudicated claims per State criteria, to include claim type, provider type, specific ID, and dollar value; the State will specify release of fiscal pends based on the above, or other established criteria.
4.36	Generate standard reports designed for ease of use and interpretation, that include the following: ○ Expenditures by department, program, and special Federal funding categories ○ Counts of adjustments and other financial transactions, by provider type, claim type, entity type, etc. ○ Standard accounting balance and control reports ○ Remittance summaries and payment summaries ○ Detailed financial transaction registers ○ Zero-balance account control reports

Req. #	Requirements
	○ Range of recoupments by amount and time period for providers ○ Outstanding accounts receivables, with flags on those that have no activity within a State-specified period of time ○ Cash receipts and returned funds ○ Account receivables set-up during the reporting period ○ Check registers ○ Retroactive rate adjustments requested and performed ○ Reports that segregate and identify claim-specific and non-claim-specific adjustments by type of transaction (e.g., payout, recoupment, or refund) and provider type or entity type, monthly
4.37	Produce remittance advices
4.38	Produce electronic payments to providers and other entities
4.39	Produce manually issued checks
4.40	Interface with Bank(s) for processing of electronic file transfer (EFT)
4.41	Perform adjustments to original and adjusted claims and maintain records of the previous processing.
4.42	Perform payment processing at least weekly.
4.43	Present all messages on the RA in HIPAA-compliant, non-technical language that is understandable to providers.
4.44	Maintain security and monitoring for the location and disposition status of incoming checks.
4.45	Receive, sort and log incoming checks from the State, third-party payers, and providers.
4.46	Update claim history and online financial files with the check number, date of payment, and amount paid after the claims payment cycle.
4.47	Establish a procedure to reimburse providers outside of the MMIS as directed to do so by the State.
4.48	Monitor the status of each AR, and report monthly to the State in aggregate and/or individual accounts.
4.49	Comply with Federal and State guidelines for collecting outstanding ARs.
4.50	Provide online access to financial information per State specifications.
4.51	Enter non-claim-specific financial transactions received and processed at the Contractor's location.
4.52	Maintain monthly general ledger and trial balance that reconciles to the bank statement. Perform reconciliation within 30 days of month end
4.53	Maintain documentation for all Electronic funds request and supporting documentation.
4.54	Be responsive and accommodating to State bank reconciliation requirements.
4.55	Establish, monitor, and manage ARs to recover funds owed by providers, and provide a monthly summary report of activity and collections.
4.56	Prepare expenditure summarization category (planned) data for the Statewide accounting system (VISION), as directed by the State.
4.57	Prepare other reports and/or files required by the State.
4.58	Generate CMS-64 data as directed by the State, Monthly and Quarterly.
4.59	Provide appropriate staff for the Fiscal Workgroup
4.60	Meet regularly with designated State personnel for purpose of:

Req. #	Requirements
	○ Resolving Financial Subsystem and fiscal funds flow issues. ○ Internal audit of reported expenditures data.
4.61	Coordinate with the provider community and the State to recover funds due to overpayment or recovery of provider advancements.
4.62	Transfer accounts receivable balance to active provider numbers when applicable
4.63	If collection is deemed not possible due to death or other circumstances, forward requests to the State for possible write-off
4.64	Send notices to providers who decertify from Medicaid program and who owe balances to the program.
4.65	Coordinate with the State Program Integrity Unit to initiate recoupment and/or recover from providers.
4.66	Respond to calls from provider with questions on their outstanding account receivable balances
4.67	Research returned mail for incorrect address. Notify the enrollment unit at Contractor for MMIS update and resend letters as appropriate
4.68	Forward to the State's Business Office and Program Integrity department a monthly report of all provider account receivables aged greater than 120 days and provide recovery activity performed.
4.69	Process all incoming financial mail
4.70	Validate that the check is intended for deposit into MMIS
4.71	Communicate with State when supporting documentation not present
4.72	Sort incoming checks by financial reason code (TPL/Cost Settlement/Provider etc.)
4.73	Send original documentation and copy of checks to the COB business process owner.
4.74	Provide sufficient staff to handle all incoming calls and emails associated with the resolution of Medicare Part D Premiums
4.75	Produce monthly Pharmacy Part D (PDP) premium payments to insurance carriers
4.76	Provide sufficient staff to respond to insurance carrier inquiries regarding monthly PDP payments
4.77	Produce provider incentive payments compliant with the ARRA guidelines (MAPIR Application)
4.78	Report all incentive payments as income on the annual 1099
4.79	Remittance Advices will include the incentive payment information as financial transactions
4.80	MAPIR application calculate incentive payment, including adjustments, and provide weekly transactions to the MMIS prior to financial processing cycle.
4.81	Installation/Customization of Core MAPIR releases and technical support of Vermont's MAPIR environment includes integration of Core MAPIR enhancements into the VT MMIS environment, and all associated activities to support pre-payment validation and post-payment audit functions. • Resolve issues of VT Medicaid access and MAPIR access to provider applications: Assist providers with instructions on access and facilitate changes to Provider information to allow appropriate provider access to the VT Medicaid portal and MAPIR; maintain procedures for doing this work.

Req. #	Requirements
	• Assist in the resolution of patient volume discrepancies between Providers' submitted Medicaid encounter data and MAPIR results during pre-payment review: Request additional information from providers; Perform data analysis within the MMIS and EVAH; report results and any requirements for additional details. • Provide monthly reports of recouped and returned incentive payments. • Respond to requests to verify Medicaid claims. • Provide Business Objects query support. • Provide MMIS screen and data information. • Provide enrollment information as needed, for example, to verify provider group relationships. • Perform queries of MMIS data to support audit risk factor analysis. • Perform requests to support audit procedures, including patient volume analysis, MAPIR attestation analysis, and queries to assess predominant Medicaid practice location.
4.82	Perform reporting of beneficiaries' out-of -pocket expenses to discover instances where total cost sharing exceeded 5% of household income. The State will determine frequency; quarterly or monthly.
4.83	Issue approved payments to head of households for any identified overpayments.
4.84	Produce Draw Request and Letters – with summary information for expenditures for the financial cycle requesting funds necessary to cover the payments from each of the State Department for whom claims and transactions were processed in the financial cycle.
4.85	Produce, balance and reconcile a Financial Balance Report (FBR) with summary details for each State Department with expenditures incurred in the current financial cycle.
4.86	Generate CMS-21 data and worksheet quarterly, as directed by the State.
4.87	Generate Quarterly CMS Overpayment Report
4.88	Generate Monthly– Incurred But Not Reported Reports, as directed by the State.
4.89	Produce a weekly summary of all cash received during previous week.
4.90	Produce 340B Invoices to providers on a designated schedule. Produce monthly 340B summary reports monthly.
4.91	Perform a process to identify claims with dates of service that occurred after a beneficiary's date of death. Once identified recoup the claims from the providers.
4.92	Generate letters to providers advising them when their direct deposit/electronic funds transfer information has been updated.
4.93	Identification of claims and financial transactions paid to providers who have been retroactively terminated in the program. Activities necessary to recoup and recover those payments.
4.94	Perform a process to receive and utilize NCCI and MUE guidelines from CMS, to inform claims processing and edit claims according to those guidelines. When updated NCCI and MUE information is received with retroactive effective dates, identify any claims already process that are not compliant and reprocess those claims under the new guidelines.
4.95	Utilizing patient share data from the State, deduct the amount of patient share owed from the claims payment from the identified highest paid provider.

Req. #	Requirements
4.96	Create a report to identify any unpaid Patient Share balances.
4.97	When Patient share payments are received in the form of a refund check, ensure proper credit of the payment to the patient's outstanding balance of patient share.

v. Performance Management

Req. #	Requirements
5.1	Maintain a database for reporting that contains, MMIS claims information, MMIS provider information, MMIS reference information, and beneficiary identifier information (related to claims)
5.2	Maintain online access to a reporting database via a web-browser for State personnel to generate reports by user-defined selection parameters.
5.3	Provide analytics reporting staff to assist with descriptive report development, in support of fiscal agent operations and State program needs. Prioritize state report and training requests in order of receipt or as directed by State leaders.
5.4	Provide analytics staff to assist with advanced analysis including Policy research and predictive analytics such as cost impact of policy changes.
5.5	Maintain 10 years of claims history and supporting reference file data for reporting use.
5.6	Provide appropriate licensing and maintenance agreement for the business analytics application, for up to the current level of State users.
5.7	Provide technical assistance to state users of the reporting database and reporting tool (e.g., development of specifications, problem research and resolutions, review of production output, and report formats).
5.8	Provide training on MMIS data and reporting/analytics tool use for State users, upon request. Training activities will include up to two group training sessions per quarter and up to eight hours of assistance per week for individuals.
5.9	Update EVAH database on a weekly basis with data from the MMIS.

vi. Data Services Technical Non-Functional

Req. #	Requirements
6.1	Maintain MMIS systems documentation, in adherence to recognized systems development life cycle structured approaches and state-specific documentation standards, including: o Vermont MMIS System Documentation, including documentation of subsystems o Edit and audit listing with detailed criteria (e.g. Reso page specifications) o Pricing rules documentation (e.g. Claims Pricing Manual) o Software Development Documentation o Systems Test Documentation o Operating Procedures for MMIS systems support (automated and manual)

Req. #	Requirements
	○ Business Continuity and Disaster Recovery Plan ○ Database documentation (e.g. MMIS Data Dictionary) ○ Value tables with code value listing and descriptions (i.e. Codes Reference Manual)
6.2	The Contractor shall transfer data copies of production database tables to AHS via a formal Extraction Transformation and Loading (ETL) process on a mutually agreed upon means and routine periodic basis (e.g. weekly)
6.3	The State has the authority to audit the currency of all system documentation with 10 workdays of notice. If documentation is not current, the Contractor will update it within 30 calendar days, or a period of time mutually agreed to by the State and the Contractor.
6.4	Provide for disaster recovery of core MMIS online and batch applications, excluding Business Objects and MAPIR, at a geographically diverse hosting location, in the event of a disaster impacting the availability of core MMIS at the primary hosting location
6.5	The MMIS must be protected against hardware failure, software malfunction, and human error. The MMIS must be backed up regularly and capable of restoring data to ensure reliability and recovery, including telecommunications reliability. For purposes of this Contract , "disaster" means an occurrence(s) of any kind that adversely affects, in whole or in part, the error-free and continuous operation of the MMIS, and/or affects the performance, functionality, efficiency, accessibility, reliability, and security of the system. Disaster events may include natural disasters, human error, computer virus, sabotage, terrorism or a malfunctioning of the hardware or electrical supply.
6.6	Prepare, provide to the State prior to the start of operations, a Business Continuity and Disaster Recovery Plan. The preliminary Business Continuity and Disaster Recovery Plan must include specifics regarding: ○ Checkpoint/restart capabilities. ○ Hardware backup for MMIS application servers and storage. ○ Contractor telecommunications equipment. ○ Network backup for telecommunications to ensure that committed transactions are backed-up off-site. ○ Continued processing of transactions (e.g., claims), assuming the loss of the Contractor's primary processing site; this will include interim support for MMIS online functionality. ○ Back-up procedures and support to accommodate the loss of online communication ○ Contractor's processing site: these procedures will not only provide for the batch entry of data and provide the Contractor with access to information necessary to adjudicate claims but will also provide the State with access to the MMIS online application necessary to perform its functions. ○ File and software backup accommodations and procedures, including the off-site storage and retention of crucial transaction and master files; plan and procedures will include a detailed schedule for backing up critical files and their rotation to an off-site storage facility; the off-site storage facility will also provide for comparable security of the data stored there, including fire, sabotage, and environmental considerations.

Req. #	Requirements
	○ Maintenance of current system documentation and source program libraries at an off-site location. ○ Develop back-up procedures to support requirements for State approval, including safe off-site storage and copying of programs and data files of the MMIS.
6.7	Establish and maintain: ○ Complete daily backups that are adequate and securely stored, for all software and operating programs, data files, and system, operations, and user documentation ○ A complete weekly backup that is adequate and securely stored in an approved off-site location, for all software and operating programs; data, files, and system, operations, and user documentation Complete backups that support the restoration and recovery of lost or corrupted data or software within two calendar days.
6.8	Maintain or otherwise arrange for an alternative site for use in the event of a catastrophic or other serious disaster event. This site must provide for complete restoration of normal operations, as well as other system and services deemed necessary by the State
6.9	Specify the respective time frames deemed reasonably necessary for complete recovery. The recovery period shall not exceed two calendar days for critical functions: MMIS claims batch functions including claims and financial batch processing for payments to providers; and availability of MMIS online screens for claims, prior authorization, provider management, provider enrollment, reference, and third-party liability maintenance features. The recovery period for all other MMIS functions (including Business Objects, AVR, and non-critical online MMIS screens) shall not exceed 30 calendar days. Implement all steps necessary to fully recover the data and/or system from the effects of a disaster and to reasonably minimize the recovery period.
6.10	Demonstrate disaster recovery capability for production system environment components with critical (2 day) recovery periods, no less than every calendar year or coincident with significant changes to MMIS core systems. Documentation of failover test results must be provided to the State. The Vermont Disaster Recovery Plan will also address availability and recovery approach for non-critical and shared systems components, which are outside the scope of the Vermont failover test.
6.11	If the MMIS becomes unavailable during the Contract period, the State may require the Contractor to convert to the failover site. In this event, the Contractor will not be allowed to return to the original site without State approval. State approval will depend upon the Contractor's ability to demonstrate that the original site is again fully operational and that all systems are available.

vii. Systems and Application Hosting and Support

Req. #	Requirements
7.1	○ Maintain an MMIS application that meets the requirements of the State and CMS. MMIS application primary activities include: ○ Receiving and processing medical claims and claims adjustment requests

Req. #	Requirements
	○ Receiving processed drug claims from the State PBM Contractor ○ Receiving beneficiary data from State eligibility systems ○ Maintaining edits, audits, codes, and rates used in claims processing ○ Maintaining prior authorizations for services ○ Maintaining claims history ○ Maintaining third party insurance information and coordination of benefit recovery information ○ Maintaining Medicaid Provider enrollment information ○ Producing EFT and paper check payments to Providers ○ Producing remittance advices and other transactional responses to Providers ○ Producing State and Federal operational reporting and notices
7.2	The Contractor shall provide a secure diversely routed connection between the Contractor's private network and the state's private network(intranet). State staff and their vendors will access internal MMIS applications and services via the state intranet. Publicly available applications and services would be consumed via the state's internet service provider. The Contract or and state will define the demarcation point, typically the Contract or's firewalls at the state designated location. The Contractor shall be responsible for meeting defined service levels from the demarcation point outward. Once established any changes of location or enhancements of service such as increased bandwidth would be managed by change order.
7.3	Provide and maintain eligibility verification with automated voice response
7.4	Support the MMIS inputs, processing functions, outputs, interfaces, files, and data elements necessary to meet State business requirements
7.5	Provide data transfers to MMIS and other State data marts
7.6	Provide and maintain access and online application inquiry capabilities that allow authorized personnel to access MMIS files and data for ad-hoc and system generated reporting
7.7	Provide Electronic Claims Submission (i.e., data entry and transmission) software for use by all providers to submit claims electronically
7.8	Provide technical assistance to respond to providers who utilize electronic claims submission software and are experiencing use and/or transmission problems
7.9	Provide and maintain MMIS test environments with the capability to: ○ Allow for unique identification, and processing of test provider and beneficiary data, and claim processing files ○ Simulate actual production results except for the change being tested ○ Process test data/files separate from routine processing ○ Separate and identify test data/files output from routine processing output ○ Test data/files in various formats (e.g., paper, online, electronically) ○ Support acceptance testing functions, files and data including Provider Trading Partner EDI file acceptance tests
7.10	Install and operate telephony and office productivity systems that allows for each staff person to have voice mail and email, and to support Provider Services call center operations

Req. #	Requirements
7.11	Provide and Maintain: The capability for providers to exchange trading partner transactions with MMIS using methods compliant with current EDI and ACA standards. The capability for providers to accept Remittance Advices (RAs) via HIPAA-compliant EDI file formats logs of all EDI transmissions (e.g., successful, failed)
7.12	Utilize EDI translator services, in conjunction with other states, for purposes such as HIPAA compliance verification, acknowledgement and 999 generation, and file format translation
7.13	Provide the State with technology refresh options as input to State Technology Plans on a periodic basis (minimum annually) to include approach to infrastructure updates including hardware/software purchases, upgrades, installation timelines as well as change results and technical documentation updates following implementation of changes.
7.14	Provide an MMIS Systems Security Plan annually to include Management Controls, Operational Controls, Technical Controls, and Equipment Inventory Lists
7.15	Provide Electronic Visit Verification (EVV) Software as a Service features or Vermont home health services in compliance with 21st Century Cures Act. Software service components must include: publicly available mobile application for visit logging; telephony application for visit logging; web applications for caregivers and for state users; visit data interface for visit data aggregation with agencies who possess their own EVV software; interface for aggregated visit data into MMIS; interface with consumer-directed financial system for exchange of caregiver, employer, and visit information.
7.16	Electronic visit logging software must capture all data elements required for 21st Century Cures Act compliance. In addition, optional data elements may be required such as services provided.
7.17	EVV mobile application software must be ADA Section 508 compliant, and work with home health providers' own mobile devices and data plans
7.18	EVV mobile and telephony applications must support the following languages: English, Spanish, Russian, Somali, Mandarin Chinese, and Egyptian Arabic.
7.19	EVV mobile application must support the ability to log visits when the home health provider is not connected to a network.
7.20	EVV mobile application must support access by authorized users, based on file-based authorization information received from the managing agency or its vendor(s).
7.21	EVV web applications will support home health providers entering or updating visit data into the system.
7.22	EVV web applications will support authorized fiscal agents and/or state users' access to electronic visit data – including visits entered directly into the EVV system as well as aggregated visit data from external EVV systems.
7.23	EVV test or training environments will be made available upon request to the State, as part of authorized Specification Orders and projects with test and training requirements.
7.24	EVV technical support will be provided for EVV mobile, telephony, and web-based applications. Technical support will be provided for interfaces between EVV SaaS components and other systems, including interfaces with external EVV vendors (where

Req. #	Requirements
	used by Home Health Agencies), with the consumer-directed program financial systems, and with MMIS.
7.25	The Contractor shall cooperate with the State to define Support Escalation and Incident Management processes.

viii. Plan Management

Req. #	Requirements
8.1	Provide a consolidated source of reference information to be accessed during claims processing
8.2	Provide coding and pricing verification during claims processing for approved claim types and reimbursement methodologies.
8.3	Maintain flexibility in reference parameters and capacity for the MMIS to accommodate Medicaid program and data element changes.
8.4	Accept and process state-approved edit/audit criteria, data updates for modifiers, procedure, diagnosis, edit/audit criteria, and edit disposition.
8.5	Accept and process HCPCS updates from the State
8.6	Accept and process ICD-CM diagnosis and procedure updates
8.7	Accept and process American Medical Association (AMA) Common Procedural Terminology (CPT) updates
8.8	Accept and process CDT procedure updates from American Dental Association (ADA)
8.9	Accept and process Medicare Resource Based Relative Value (RBRV) unit descriptions, information and updates
8.10	Maintain pricing reference data for procedures, and other general reference data such as diagnoses, edit/audit criteria, edit dispositions, and error and remittance text information.
8.11	Maintain current and historical reference data to be used in claims processing.
8.12	Maintain a data set containing five-character HCPCS, CDT and CPT codes for medical, surgical, dental, and other professional services, two-character HCPCS pricing modifiers, and ICD-CM surgical, obstetrical, and miscellaneous diagnostic and therapeutic procedure codes. The data set includes: o 10 date-specific pricing segments, including a pricing action code for each segment o RBRV weights and/or values o State-specified restrictions on conditions to be met for a claim to be paid (e.g., provider types, member age restrictions, modifiers permitted) o Multiple modifiers o Descriptions of procedure codes o Indication as to special funding source o Accident-related indicators for TPL o Federal cost-sharing indicators o Prior authorization required
8.13	Maintain the Diagnosis Data Set of medical diagnosis codes utilizing 3-7 ICD-CM coding system, with relationship edits for each diagnosis code, including:

	○ Age ○ Gender ○ Place of service ○ Third-Party Liability criteria ○ Description of the diagnosis
8.14	Maintain the Drug Data Set of the 11-digit National Drug Code (NDC), which accommodates updates: 10 date-specific pricing segments of multiple pricing methodologies Description of the drug code
8.15	Maintain the Revenue Code Data Set for use in processing hospital, and other skilled and acute care claims.
8.16	Maintain an Edit/Audit Criteria table to provide a user-controlled method of implementing service frequency, quantity limitations, and service conflicts for selected procedures and diagnoses, with online update capability.
8.17	Maintain pricing reference data based on: ○ Fee schedule ○ Medicare RBRVs ○ Contracted amounts for certain services ○ Per diem rates ○ Capitation fee for prepaid health plans and/or case manager services ○ Case-mix rates for long-term care ○ Level of care, by peer group ○ Bundled services
8.18	Maintain user-controlled and online update capability for claim Edit Disposition Data Set with disposition information for each edit used in claims processing, including the disposition (pay, suspend, deny) by submission medium within claim type, the description of errors, and the related Explanation of Benefits (EOB) codes.
8.19	Maintain user-controlled and online update capability for EOB messages.
8.20	Maintain online access to Reference data with inquiry by the appropriate code
8.21	Maintain inquiry to procedure and diagnosis data by key alpha name.
8.22	Accommodate edit/audit criteria limits on types of service by procedure code, revenue code and diagnosis codes, based on: ○ Member age, gender, eligibility status ○ Variable pricing by procedure code ○ Diagnosis ○ Provider type, specialty ○ Place of service ○ Third-Party Liability ○ Tooth and surface codes ○ Floating or calendar year period ○ Months or days periods
8.23	Accommodate multiple reimbursement methodologies, including per diem for inpatient hospital care, case-mix-based payment structure for nursing homes, fee-for-service payments for laboratory and radiology services rendered as outpatient hospital care and other types.
8.24	Accept online and batch updates to all reference data.
8.25	Produce audit trail records of changed data, the user ID, and the change image.

8.26	Produce listings of the Procedure, Diagnosis, Revenue Code, Medical Criteria, Usual and Customary Charge, and other data based on variable, user-defined selection and sort criteria with all pertinent record contents on one listing.
8.27	Maintain reference data to ensure that the most current information is used in claims processing and ad-hoc reporting.
8.28	Provide the State with online inquiry capability to Reference data.
8.29	Provide the required reports and lists of the reference files to the State within one calendar week of receipt of the request.
8.30	Provide a reference, capitation, cash control, claims analysis, drug claims, financial, financial balancing, institutional, LTC, phone, prior authorization, professional claims and provider universes in Business Objects.
8.31	Contract with updating services to update diagnosis, procedure, and any other reference data or code sets.
8.32	Perform mass updates to the Reference files as specified by the State.
8.33	Identify and advise the State of changes to edits and audits to enhance processing and efficiency.
8.34	Perform monthly quality review process to ensure accuracy of reference file updates received and processed.

ix. Change Management

Req. #	Requirements
9.1	State or Contractor-initiated requests to develop, modify, or upgrade applications software, code, screens, business processes or production interfaces are called Specification Orders (SOs). The Contractor shall facilitate State review and pre-approval of all SOs and funded projects through documented change control procedures.
9.2	The Contractor shall propose system and process enhancements when it is determined to increase efficiency and/or streamline operations, and when needed to support State policy and business process changes.
9.3	Provide the State with system enhancements based on established budgets. Scope of enhancement work will be documented in State approved formats and approved by the State in accordance with agreed upon change control procedures. Invoiced SO hours will not include effort for updates to business service deliverables such as to provider manuals, bulletins, or business process documentation.
9.4	Track and report progress on SOs to the State with: Online work tracking and reporting. Weekly reports as to the current status of system changes. Monthly summary reports of effort hours expended and monthly status reports for managed projects.
9.5	Retain electronic documentation of artifacts produced for each SO for audit purposes.
9.6	Acknowledge all State-initiated SO requests by providing a written response within 10 workdays. SO definition will include documentation of changes to MMIS systems specifications based upon a State specified format.
9.7	Complete SOs by the State's requested date. If the SO cannot be completed by the target date, the Contractor shall submit a revised completion date to the State and seek State

Req. #	Requirements
	approval of that date.
9.8	Correct deficiencies with Contractor produced custom software identified by the State or the Contractor, at no charge to the State, and within Department-approved time frames. Escalate deficiencies with third party software to the appropriate software Contractor and manage issues to resolution. Submit a Corrective Action Plan to the State, subject to Department approval, within 10 workdays of notification of system deficiencies impacting Service Levels or contractual requirements. Implement the Correction Action Plan once approved within the time frame established in the Plan.

x. Privacy and Security Requirements

The Contractor and State will establish written agreements for the requirements to specify applicable systems, tools, and approach to completion of privacy and security deliverables. The Contractor shall provide the following deliverables to the State at the frequencies listed below:

NIST 800-53	Task name	Periodicity	Due to State	Delivery Schedule	Definition of Deliverables	Third party supported services (Included or alternative)	Definition of Alternatives and Exceptions
Attestation due to the State							
AC-2	Weekly Privileged Account review	Weekly (minimum)	Quarterly	End of March, June, Sep, Dec	Letter to state for Contract or-maintained services	Alternative	Separate attestation letter for EVV SaaS
AU-6	Audit log review	Weekly (minimum)	Quarterly	End of March, June, Sep, Dec	Letter to state for Contract or-maintained services	Alternative	Separate attestation letter for EVV SaaS
AC-2	System Access review	180 days	180 days/6 months/ bi-annually	End of June, End of December	Letter to state for Contract or-maintained services	Alternative	Separate attestation letter for EVV SaaS
AC-2	Roles review for separation of duties	Annual	Annual	End of June	Letter to state for Contract or-maintained services	Alternative	Separate attestation letter for EVV SaaS
AT-2	Security Awareness training	Annual	Annual	End of July	Letter to state for Contract or-maintained services	Alternative	Separate attestation letter for EVV SaaS
Document-wide	Security Policy review	Annual	Annual	End of June	Letter to state for Contract or-maintained services	Alternative	Separate attestation letter for EVV SaaS
Exercise to be Performed with the State							
IR-2/3	Incident Response Plan review & training – participation in IR tabletop exercise	Annual	Annual	September	Review of IR Plan and documented tabletop exercise results	Alternative	Separate attestation letter for EVV SaaS
CP-3	Contingency plan review/test – participation in	Annual	Annual	October	Review of DR/BCP documentation	Alternative	Separate attestation letter for EVV SaaS

	DR/BCP tabletop exercise						
CP-2	Disaster recovery presentation and Review - participation in DR/BCP tabletop exercise	Annual	Annual	October	Review of DR/BCP documentation and DR test reports for MMIS core and PMM	Alternative	attestation letter for EVV SaaS with DR exercise summary available on request
Deliverables due to the State							
CA-7	Continuous monitoring/Security metrics report	Monthly	Quarterly	End of March, June, Sep, Dec	Metrics tab in POAM workbook.	Alternative	Separate attestation letter for EVV SaaS
PM-4	POAM Review	Quarterly	Quarterly	End of March, June, Sep, Dec	Consolidated POAM workbook in state-specified template	Included	Any EVV SaaS gaps and corrective actions from HITRUST added to Contractor's consolidated POAM; EVV SaaS vulnerability scan results (RA-5) are not provided in Contract or POAM
RA-5	Vulnerability Scanning	Quarterly	Quarterly	End of March, June, Sep, Dec	Vulnerability scan reports (Nessus, Qualys)	Alternative	HITRUST certification information and separate attestation letter for EVV SaaS
CA-8	Independent Web Application Pen test	Annual or when security impact triggered	Annual/Event Trigger/As Necessary	By end of Dec and as scheduled when triggered	Penetration test reports for provider portals	Alternative	Separate test report for EVV SaaS
CM-2	System Security Plan	Annual	Annual	SSP updates end of March	SSP in state-specified template	Alternative	Separate EVV SSP based on HITRUST information

SA-11	Static/Dynamic Code Analysis	Major release or when security impact triggered	Event Trigger/As necessary	By end of June and as scheduled when triggered	Code scan reports for provider portals (Coverity, Acunetix)	Alternative	HITRUST certification information for EVV SaaS; code scans not performed for COTS components, internal-facing Powerbuilder source code, batch COBOL/C code
CA-2	Independent System-wide Security Controls Assessment	Annual	Annual	End of October		Alternative	HITRUST certification information for EVV SaaS
RA-3	Risk Assessment	Annual	Annual	End of May	State specified risk assessment template	Alternative	HITRUST certification information for EVV SaaS

Notes:

- Third party-supplied security deliverables identified under ‘Exclusions and Alternatives’ column may be delivered with the same periodicity and on a different schedule than Contract or-supplied deliverables as agreed upon between the State and Contractor.

- HITRUST certification information for EVV SaaS includes interim assessment report results in order to meet Periodicity.

Exhibit 2
Service Level Agreement

	SLA #	SLA Title	Target	Service Level Credit
CLAIMS	SLA #1	Notification of Incorrect Payments	100% within 5 business days	Cumulative Credit
	SLA #2	Adjudicate Claims Within 15 Days	80.0% within 15 calendar days	Cumulative Credit
	SLA #3	Adjudicate Claims Within 30 Days	90.0% within 30 calendar days	Cumulative Credit
	SLA #4	Adjudicate Claims Within 90 Days	99.0% within 90 calendar days	Cumulative Credit
	SLA #5	Adjudicate Claims Within 150 Days	100.0% within 150 calendar days	$1,000/month
	SLA #6	Claim Error Rate	Less than 2.5% error rate	$5,000/month
	SLA #7	Timely Reference Updates	100% within 5 business days	Cumulative Credit
	SLA #8	Reference Error Rate	Less than 5.0% error rate	Cumulative Credit
	SLA #9	DME Manual Pricing	100% one spreadsheet available per work week (M-F)	Cumulative Credit
FINANCIAL	SLA #10	Mail Accident/Injury Questionnaires	100% within 30 calendar days	Cumulative Credit
	SLA #11	TPL Referral & EOB Verification	100% within 30/60 calendar days	Cumulative Credit
	SLA #12	Disposition Cash	100% within 45 calendar days	Cumulative Credit
	SLA #13	Deposit Cash	100% by end of next business day	Cumulative Credit
	SLA #14	Aged AR Letters	100% within 30/60/90 calendar days	Cumulative Credit
	SLA #15	Bank Reconciliation	100% within 30 calendar days	Cumulative Credit
	SLA #16	Financial Draw	100% within 2 business days	$1,000/month
	SLA #17	Financial Balancing Report (FBR)	100% within 2 business days	$1,000/month
	SLA #18	Timely Financial Requests	100% within 5 business days	Cumulative Credit
	SLA #19	Financial Request Error Rate	Less than 5.0% error rate	Cumulative Credit
PROVIDER	SLA #20	Provider Reconsiderations	100% within 10 business days	Cumulative Credit
	SLA #21	Acknowledge Provider Inquiries	100% within 2 business days	Cumulative Credit
	SLA #22	Provider Call Center	100% availability per calendar month; M-F 8AM-5PM	Cumulative Credit
	SLA #23	Call Abandon Rate	Less than 9.0%	$1,000/month per 1% over the target

	SLA #24	Enrollment Within 30 Days	98% within 30 business days	Cumulative Credit
	SLA #25	Enrollment Within 40 Days	100% within 40 business days	$1,000/month
SYSTEM	SLA #26	Load Electronic Claims	100% by end of next business day	Cumulative Credit
	SLA #27	Drug Claim Transactions	100% within 48 hours	Cumulative Credit
	SLA #28	System Availability - Internal Facing - AIM	99.50% availability per calendar month; M-F 6AM-6PM	$1,000/month
	SLA #29	System Availability - Internal Facing - BusinessObjects	99.50% availability per calendar month; M-F 6AM-6PM	$1,000/month
	SLA #30	System Availability - Internal Facing - Provider Management System	99.50% availability per calendar month; 24/7	$1,000/month
	SLA #31	System Availability - External Facing - Provider Enrollment and Management	99.50% availability per calendar month; 24/7	$1,000/month if under 99.50% and an additional $1,000 per 0.2% under target (max. $5,000/month)
	SLA #32	System Availability - VTMedicaid.com	99.50% availability per calendar month; 24/7	$1,000/month if under 99.50% and an additional $1,000 per 0.2% under target (max. $5,000/month)
	SLA #33	System Availability - External Facing – AVRS/Phone System	99.90% availability per calendar month; 24/7	$1,000/month if under 99.90% and an additional $1,000 per 0.2% under target (max. $5,000/month)
	SLA #34	System Availability - External Facing - EVV	99.90% availability per calendar month; 24/7	$1,000/month if under 99.90% and an additional $1,000 per 0.2% under target (max. $5,000/month)
	SLA #35	User Accounts	95.0% within 5 business days	Cumulative Credit
	SLA #36	MMIS System Changes	100% implemented as designed	$500 or $250 per occurrence plus 20% recoupment
	SLA #37	T-MSIS System Changes	100% implemented as designed	$1000/month
	SLA #38	EVV Request Resolution Time	User support requests with major impact to one or more users of the EVV services will be resolved within 10 business days.	$500/month

GENERAL	SLA #39	Key Staff	100% within 60 calendar days	$200/day out of compliance
	SLA #40	Operational Group Staff	Minimum of 46 Staff, at least 32 of which must live and work in Vermont	$200/day out of compliance
	SLA #41	Incurred Fees & Penalties	100% free of fees & penalties	$500/occurrence plus damages
	SLA #42	1099 Files	100% by January 31st	IRS
	SLA #43	Service Level Reporting	100% within 15 calendar days	$1,000/month

SLA Details

Any incidents where Service Levels are impacted will be reported to SOV using Contractor's documented Incident Management process in addition to monthly SLA reporting.

SLA #1	**Notification of Incorrect Payments**
DESCRIPTION	Notify the State within 5 business days of the discovery of overpayments, duplicates or incorrect payments based on a threshold agreed-upon by Contractor and the State. Contractor shall provide the State with a corrective action plan for detailed report on the payment errors with recommendation (adjustment, recoup, other) within 5 business days of notice of incorrect payment.
TARGET	100% within 5 business days
EXCEPTIONS	None
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #2	**Adjudicate Claims Within 15 Days**
DESCRIPTION	Adjudicate 80.0% of claims (excluding drug claims) within 15 calendar days of receipt.
TARGET	80.0% within 15 calendar days of receipt
EXCEPTIONS	Excludes drug claims (claim type D); Not limited to clean claims.
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #3	**Adjudicate Claims Within 30 Days**
DESCRIPTION	Adjudicate 90.0% of claims (excluding drug claims) within 30 calendar days of receipt

TARGET	90.0% within 30 calendar days of receipt
EXCEPTIONS	Excludes drug claims (claim type D); Not limited to clean claims
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #4	**Adjudicate Claims Within 90 Days**
DESCRIPTION	Adjudicate 99.0% of claims (excluding drug claims) within 90 calendar days of receipt.
TARGET	99.0% within 90 calendar days of receipt
EXCEPTIONS	Excludes drug claims (claim type D); Not limited to clean claims.
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #5	**Adjudicate Claims Within 150 Days**
DESCRIPTION	Adjudicate 100.0% of claims (excluding drug claims) within 150 calendar days of receipt.
TARGET	100.0% within 150 calendar days of receipt
EXCEPTIONS	Excludes drug claims (claim type D); Not limited to clean claims. The State may grant an exception for a specific month, if metric is not met due to pending state actions for specific claims.
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	$1,000/month
SLA #6	**Claim Error Rate**
DESCRIPTION	Maintain an error rate of less than 2.5% on all claims manually processed by a resolution clerk. 3 claims per resolution clerk per day will be verified by the Quality Assurance analyst.
TARGET	Less than 2.5% average for the resolution team per month
EXCEPTIONS	If any resolution clerk has an individual error rate of 3.0% or higher, Contractor shall provide additional support/training to the clerk. Details of the errors will be available to the State upon request. If the State agrees for a specific month, Contractor may substitute the review of specific edits/audits in lieu of the per clerk review.
CALCULATION INFORMATION	The formula for calculating this SLA: [total # of errors discovered] / [total # of claims reviewed]

RESULT OF FAILURE TO MEET TARGET	$5,000/month
SLA #7	**Timely Reference Updates**
DESCRIPTION	Complete reference file updates within 5 business days of receipt of complete authorized request or within 5 business days of effective date of change.
TARGET	100% within 5 business days
EXCEPTIONS	If the effective date of the change is more than 5 business days in the future, the update will be completed within 5 business days of the effective change. If the RSO requires Systems team resources, the update shall be completed within 10 business days of receipt of complete authorized request. The State shall be notified that the 10 business days exception is in effect for those cases.
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #8	**Reference Error Rate**
DESCRIPTION	Maintain an error rate of less than 5.0% on reference file updates processed. Sample size must be at least 30% of the total updates completed during the calendar month. Any errors identified and reported by the State shall be included.
TARGET	Error rate of less than 5.0% per month
EXCEPTIONS	Any errors identified during testing in the test environment will not be counted. Only count production environment errors.
CALCULATION INFORMATION	The formula for calculating this SLA: [(total # of errors discovered during Contractor review) + (total # of errors identified by the State)] / [total # of reference updates reviewed]
RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #9	**DME Manual Pricing**
DESCRIPTION	Contractor shall prepare a spreadsheet with claim information related to DME items that require manual pricing. The spreadsheet will be available for the Reimbursement Unit on the Contractor MS Teams site at least once per week. The spreadsheet shall contain suspending claims that meet the criteria agreed upon by the State.
TARGET	100% one spreadsheet available per work week (M-F)
EXCEPTIONS	None
CALCULATION INFORMATION	None

RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #10	**Mail Accident/Injury Questionnaires**
DESCRIPTION	Produce and mail accident/injury questionnaires to members within 30 calendar days from cycle date.
TARGET	100% within 30 calendar days
EXCEPTIONS	None
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #11	**TPL Referral & EOB Verification**
DESCRIPTION	Perform follow up and verification of changes on all TPL referrals within 30 calendar days of receipt and all TPL EOBs within 60 calendar days of receipt.
TARGET	100% within 30/60 calendar days of receipt
EXCEPTIONS	Exclude the number of calendar days that the referral or EOB is with the State from the total number of calendar days.
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #12	**Disposition Cash**
DESCRIPTION	Disposition all cash receipts within 45 calendar days of deposit.
TARGET	100% within 45 calendar days of deposit
EXCEPTIONS	None
CALCULATION INFORMATION	Exclude the number of calendar days that the referral or EOB is with the State from the total number of calendar days.
RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #13	**Deposit Cash**
DESCRIPTION	Deposit by the end of the next business day following receipt.
TARGET	100% by the end of the next business day following receipt
EXCEPTIONS	None
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #14	**Aged Accounts Receivable (AR) Letters**

DESCRIPTION	Send letters to providers when their AR has aged to 30, 60, and 90 calendar days. Letters shall be sent according to the process and timelines documented by Contractor and agreed upon by the State.
TARGET	100% within 30/60/90 calendar days
EXCEPTIONS	None
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #15	**Bank Reconciliation**
DESCRIPTION	Perform bank reconciliation within 30 calendar days of month end.
TARGET	100% within 30 calendar days
EXCEPTIONS	None
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #16	**Financial Draw**
DESCRIPTION	Produce financial draw, reports and letters within 2 business days after completion of the financial payment cycle.
TARGET	100% within 2 business days
EXCEPTIONS	None
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	$1,000/month
SLA #17	**Financial Balancing Report (FBR)**
DESCRIPTION	Produce weekly FBR within 2 business days after completion of financial cycle.
TARGET	100% within 2 business days
EXCEPTIONS	None
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	$1,000/month
SLA #18	**Timely Financial Requests**
DESCRIPTION	Complete financial requests within 5 business days of receipt of complete authorized request or within 1 business day of effective date of change.
TARGET	100% within 5 business days

EXCEPTIONS	If the effective date of the change is more than 5 business days in the future, the update shall be completed within 1 business day of the effective change.
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #19	**Financial Request Error Rate**
DESCRIPTION	Maintain an error rate of less than 5.0% on all financial requests.
TARGET	Error rate of less than 5.0% per month
EXCEPTIONS	None
CALCULATION INFORMATION	The formula for calculating this SLA: [(total # of errors discovered during Contractor review) + (total # of errors identified by the State)] / [total # of financial updates reviewed] Sample size must be at least 30% of the total updates completed during the calendar month. Any errors identified and reported by the State shall be included.
RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #20	**Reconsiderations Processed Timely**
DESCRIPTION	All reconsiderations (including Timely Filing) shall be reviewed and either addressed (RTP, etc.) and closed by Contractor, or uploaded to SharePoint for the appropriate State team within 10 business days of the receipt of the Reconsideration Request. All Reconsideration Requests shall be date stamped on the day received at Contractor.
TARGET	100% within 10 business days
EXCEPTIONS	None
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #21	**Acknowledge Provider Inquiries**
DESCRIPTION	Acknowledge all Provider voice messages, emails, and written communication by either phone or email within 2 business days of receipt to let the Provider know the inquiry has been received and will be addressed. Acknowledgment does not constitute a resolution of the issue or question.
TARGET	100% within 2 business days of receipt
EXCEPTIONS	None
CALCULATION INFORMATION	None

RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #22	**Provider Call Center**
DESCRIPTION	Maintain Provider call center every Monday - Friday from 8:00 AM EST - 5:00 PM EST.
TARGET	100% availability per calendar month Monday - Friday from 8:00 AM EST - 5:00 PM EST
EXCEPTIONS	The call center may be closed during State holidays. The call center may close for up to 1-hour at a time for a total of 3 hours per month for team meeting and trainings.
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #23	**Call Abandon Rate**
DESCRIPTION	Maintain call abandon rate of less than 9.0%.
TARGET	Less than 9.0%
EXCEPTIONS	Special considerations will be given at times when call volume is especially high due to new initiatives that result in Provider inquiries. This exception will only be valid if there is approval by the DVHA Member Provider Services Director.
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	$1,000/month per 1% over the target
SLA #24	**Enrollment Within 30 Days**
DESCRIPTION	Complete new enrollments, reenrollments, and revalidation enrollment requests submitted either electronically via Provider Portal or via paper by the Provider within 30 business days of receipt. For paper applications, the receipt date is the date it is manually entered by Contractor into the online Provider tool. The number of days that the enrollment is with the State for action shall not be counted against this SLA. Examples include, but are not limited to: site visits, State reviews, and return-to-Provider (RTP) status.
TARGET	98% within 30 business days
EXCEPTIONS	None
CALCULATION INFORMATION	None

RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #25	**Enrollment Within 40 Days**
DESCRIPTION	Complete all new enrollments, reenrollments, and revalidation enrollment requests submitted either electronically via Provider Portal or via paper by the Provider within 40 business days of receipt. For paper applications, the receipt date is the date it is manually entered by Contractor into the online Provider tool. The number of days that the enrollment is with the State for action shall not be counted against this SLA. Examples include, but are not limited to: site visits, State reviews, and return-to-Provider (RTP) status.
TARGET	100% within 40 business days
EXCEPTIONS	None
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	$1,000/month
SLA #26	**Load Electronic Claims**
DESCRIPTION	Load all electronic claims by end of the next business day following receipt.
TARGET	100% by end of the next business day
EXCEPTIONS	Crossovers may exceed the allowed number of ICNs available per day due to mass adjustments being processed by Medicare. In those cases, any crossover claims that cannot be loaded due to a lack of ICNs will not be counted against this SLA. Other mass-adjustments could also exceed the allowed number of ICNs available per day.
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #27	**Drug Claim Transactions**
DESCRIPTION	Process drug transactions within 48 hours of receipt.
TARGET	100% within 48 hours
EXCEPTIONS	None
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #28	**AIM System Availability - Internal Facing**

DESCRIPTION	The AIM system shall be available to users (State, Maximus, etc.) Monday - Friday 6:00 AM EST - 6:00 PM EST. This includes both Production and User Acceptance Testing (UAT) environments. If downtime does occur, Contractor should notify users and produce an incident report.
TARGET	99.50% availability per calendar month: Monday - Friday 6:00 AM EST - 6:00 PM EST
EXCEPTIONS	If downtime needs to be scheduled, at least one business day notice shall be provided to stakeholders.
CALCULATION INFORMATION	The formula for calculating this SLA: [total minutes of planned uptime for the month - total minutes of unplanned downtime for all supported systems within scope of this SLA] / [total minutes of planned uptime for the month] Minutes of downtime is tracked based on incident reports generated for each instance of downtime.
RESULT OF FAILURE TO MEET TARGET	$1,000/month
SLA #29	**BusinessObjects System Availability - Internal Facing**
DESCRIPTION	The web-based BusinessObjects tool shall be available to State users Monday - Friday 6:00 AM EST - 6:00 PM EST. If downtime does occur, Contractor shall notify users and produce an incident report.
TARGET	99.50% availability per calendar month: Monday - Friday 6:00 AM EST - 6:00 PM EST
EXCEPTIONS	If downtime needs to be scheduled, at least one business day notice shall be provided to stakeholders.
CALCULATION INFORMATION	The formula for calculating this SLA: [total minutes of planned uptime for the month - total minutes of unplanned downtime for all supported systems within scope of this SLA] / [total minutes of planned uptime for the month] Minutes of downtime is tracked based on incident reports generated for each instance of downtime.
RESULT OF FAILURE TO MEET TARGET	$1,000/month
SLA #30	**Provider Management System Availability - Internal Facing**
DESCRIPTION	The Provider Management Modules shall be available to State users 7 days/week, 24 hours/day. If downtime does occur, Contractor shall notify users and produce an incident report. Includes maintenance and enrollment functions for State and Contractor staff.
TARGET	99.50% availability per calendar month: 24 hours/day, 7 days/week

EXCEPTIONS	If downtime needs to be scheduled, at least one business day notice shall be provided to stakeholders. Do not include downtime associated with a State network issue.
CALCULATION INFORMATION	The formula for calculating this SLA: [total minutes of planned uptime for the month - total minutes of unplanned downtime for all supported systems within scope of this SLA] / [total minutes of planned uptime for the month] Minutes of downtime is tracked based on incident reports generated for each instance of downtime.
RESULT OF FAILURE TO MEET TARGET	$1,000/month
SLA #31	**Provider Enrollment and Management System Availability - External Facing**
DESCRIPTION	The Provider Enrollment and Management Systems (part of PMM) shall be available to all users 7 days/week, 24 hours/day. If downtime does occur, Contractor shall notify users and produce an incident report. Includes internet features for Providers.
TARGET	99.50% availability per calendar month; 24 hours/day, 7 days/week.
EXCEPTIONS	If downtime needs to be scheduled, at least one business day notice shall be provided to stakeholders.
CALCULATION INFORMATION	The formula for calculating this SLA: [total minutes of planned uptime for the month - total minutes of unplanned downtime for all supported systems within scope of this SLA] / [total minutes of planned uptime for the month] Minutes of downtime is tracked based on incident reports generated for each instance of downtime.
RESULT OF FAILURE TO MEET TARGET	$1,000/month if under 99.50% and an additional $1,000 per 0.2% under target (max. $5,000/month)
SLA #32	**Vtmedicaid.com System Availability**
DESCRIPTION	The general website (Vtmedicaid.com) static and secured functionality shall be available to users 7 days/week, 24 hours/day. If downtime does occur, Contractor shall notify users and produce an incident report.
TARGET	99.50% availability per calendar month; 24 hours/day, 7 days/week.
EXCEPTIONS	If downtime needs to be scheduled, at least one business day notice shall be provided to stakeholders.

CALCULATION INFORMATION	The formula for calculating this SLA: [total minutes of planned uptime for the month - total minutes of unplanned downtime for all supported systems within scope of this SLA] / [total minutes of planned uptime for the month] Minutes of downtime is tracked based on incident reports generated for each instance of downtime.
RESULT OF FAILURE TO MEET TARGET	$1,000/month if under 99.50% and an additional $1,000 per 0.2% under target (max. $5,000/month)
SLA #33	**AVRS & Phone System Availability - External Facing**
DESCRIPTION	The AVRS and phone system shall be available to users 7 days/week, 24 hours/day. If downtime does occur, Contractor shall notify users and produce an incident report.
TARGET	99.90% availability per calendar month; 24 hours/day, 7 days/week.
EXCEPTIONS	If downtime needs to be scheduled, at least one business day notice shall be provided to stakeholders.
CALCULATION INFORMATION	The formula for calculating this SLA: [total minutes of planned uptime for the month - total minutes of unplanned downtime for all supported systems within scope of this SLA] / [total minutes of planned uptime for the month] Minutes of downtime is tracked based on incident reports generated for each instance of downtime.
RESULT OF FAILURE TO MEET TARGET	$1,000/month if under 99.90% and an additional $1,000 per 0.2% under target (max. $5,000/month)
SLA #34	**EVV System Availability - External Facing**
DESCRIPTION	The EVV system shall be available to users 7 days/week, 24 hours/day. If downtime does occur, Contractor shall notify users and produce an incident report.
TARGET	99.90% availability per calendar month; 24 hours/day, 7 days/week.
EXCEPTIONS	If downtime needs to be scheduled, at least one business day notice shall be provided to stakeholders.
CALCULATION INFORMATION	The formula for calculating this SLA: [total minutes of planned uptime for the month - total minutes of unplanned downtime for all supported systems within scope of this SLA] / [total minutes of planned uptime for the month] Minutes of downtime is tracked based on incident reports generated for each instance of downtime.
RESULT OF FAILURE TO MEET TARGET	$1,000/month if under 99.90% and an additional $1,000 per 0.2% under target (max. $5,000/month)

SLA #35	**User Accounts**
DESCRIPTION	Provide user account (MMIS/AIM, SharePoint, OnDemand, etc.) access to State personnel within 5 business days 95.0% of the time.
TARGET	95.0% within 5 business days
EXCEPTIONS	Business Objects license management is not captured within the SM ticket times.
CALCULATION INFORMATION	Measured based on Contractor Service Management (SM) ticket open/closed times.
RESULT OF FAILURE TO MEET TARGET	Cumulative Credit
SLA #36	**System Changes**
DESCRIPTION	All system changes [Change Requests (CR) or Specification Orders (SO)] shall perform as the State expects based on State-defined business rules, specifications, and directions. The State change requester (State sponsor) has the opportunity to review test plans and test results prior to implementation. If either Contractor or the State discovers that the system change is not working as intended, they shall notify the other party regarding this SLA.
TARGET	100% of system changes are implemented and perform as intended
EXCEPTIONS	None
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	$500/occurrence and 20% recoupment of the total SO or CR hours invoiced to that deliverable. The correction(s) needed for the system change shall be performed by Contractor without additional cost to the State.
SLA #37	**TMSIS System Changes**
DESCRIPTION	All monthly and annual TMSIS reports sent to CMS shall perform as designed, based on State and/or CMS-defined business rules and written specifications.
TARGET	100% of TMSIS reports sent to CMS are correct based on design and based on available data.
EXCEPTIONS	The State shall review Contractor's specification documents, test plans and test results prior to implementation or communication to CMS that an issue has been resolved, for the SLA to be applied. This SLA does not directly relate to CMS assessment via TPIs or other reporting; lack of compliance with a TPI does not, by itself, constitute a missed SLA. Lack of available data or issues with quality of data not caused by the T-MSIS programs themselves, shall not result in a missed SLA.
CALCULATION INFORMATION	If either Contractor or the State discovers that the system change that was implemented is not working as intended in production, they will notify the other party regarding this SLA.
RESULT OF FAILURE TO MEET TARGET	$1000/month
SLA #38	**EVV Request Resolution Time**

DESCRIPTION	User support requests with major impact to one or more users of the EVV services shall be resolved within 10 business days.
TARGET	100% of support requests resolved within 10 business days
EXCEPTIONS	Priority of the requests must be deemed a Priority 2 or higher, defined as the business processes and/or user(s) are significantly affected. Minor requests of Priority 3 are excluded from this measure, as defined as not materially restricting end user from system usage, errors generated are infrequent, and/or the functionality is not business critical. This also includes questions, undocumented functionality, and workarounds.
CALCULATION INFORMATION	# of tickets for State users of EVV systems opened in the reporting period resolved within 10 business days, priority 2 or higher / # of tickets opened in the reporting period for State users of EVV systems, priority 2 or higher
RESULT OF FAILURE TO MEET TARGET	$500/month
SLA #39	**Key Staff**
DESCRIPTION	Contractor shall have the required number of key staff positions hired and working within 60 calendar days of the vacancy for Contractor's operations at the Vermont location. Refer to the Contract for the list of key staff. Contractor shall notify DVHA Leadership and MMIS Maintenance & Operations of any key staff changes within 5 business days of notification from the key staff.
TARGET	100% within 60 calendar days of vacancy
EXCEPTIONS	Key staff are dedicated to Vermont excluding personal time off and other non-work time as allowed by law. Contractor key staff may act as backups with advance notice to provide out-of-office coverage on other accounts, and similarly Contractor key staff can have a named backup who is not permanently assigned to the Vermont account. Backup coverage provided by Contractor key staff is intended to be short-term; coverage for periods longer than two (2) weeks shall be approved in writing by the State to qualify as an exception. Providing this coverage will not count against being “dedicated” for purposes of measuring this SLA.
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	$200/day out of compliance per key staff
SLA #40	**Operational Group Staff**
DESCRIPTION	Contractor shall maintain the total number of required operational staff living in the United States and assigned to work on the State account. Refer to the Contract for the list of operational staff groups. Contractor shall notify DVHA Leadership and MMIS Maintenance & Operations of any operational staff changes within 10 business days of Contractor's notification from the operational staff.
TARGET	Minimum of 46 staff, at least 32 of which must live and work in Vermont.
EXCEPTIONS	None

CALCULATION INFORMATION	Based on a head count performed biweekly and reported at the biweekly Fiscal Agent meeting. Must be allocated to the State at least 75% as their primary responsibility to be counted against this SLA as a State account resource, excluding personal time off and other non-work time as allowed by law. Part-time staff shall be calculated against the SLA total based on their working time as a percentage of a full-time equivalent.
RESULT OF FAILURE TO MEET TARGET	$200/day out of compliance
SLA #41	**Incurred Fees & Penalties**
DESCRIPTION	Contractor shall not allow the State to incur fees, fines, penalties or federal financial participation (FFP) losses or reduction per federal law, rules or regulations, or actual expenses in recouping funds or property from a third party, due to an error or oversight by Contractor (system or human error).
TARGET	100% free of incurred fees or penalties
EXCEPTIONS	None
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	$500/occurrence plus damages
SLA #42	**1099 Files**
DESCRIPTION	Contractor shall submit timely and accurate 1099 files to the IRS by January 31st each year.
TARGET	100% by January 31st
EXCEPTIONS	None
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	The amount imposed by the IRS for each and every individual incident.
SLA #43	**Service Level Reporting**
DESCRIPTION	Contractor shall measure and report on 100.0% of all SLAs by the 15th calendar day of the following month after the end of the reporting month.
TARGET	100.0% within 15 calendar days
EXCEPTIONS	None
CALCULATION INFORMATION	None
RESULT OF FAILURE TO MEET TARGET	$1,000/month

ATTACHMENT B
PAYMENT PROVISIONS

The maximum dollar amount payable under this Contract is not intended as any form of a guaranteed amount. The Contractor will be paid for products or services actually delivered or performed, as specified in Attachment A, up to the maximum allowable amount specified on page 1 of this Contract.

1. Prior to commencement of work and release of any payments, Contractor shall submit to the State:
    a. a certificate of insurance consistent with the requirements set forth in Attachment C, Section 8 (Insurance), and with any additional requirements for insurance as may be set forth elsewhere in this Contract; and
    b. a current IRS Form W-9 (signed within the last six months).
2. Payment terms are **Net 30** days from the date the State receives an error-free invoice with all necessary and complete supporting documentation.
3. Contractor shall submit detailed invoices itemizing all work performed during the invoice period, including the dates of service, rates of pay, hours of work performed, and any other information and/or documentation appropriate and sufficient to substantiate the amount invoiced for payment by the State. All invoices must include the Contract # for this Contract.
4. Contractor shall submit invoices to the State in accordance with the schedule set forth in this Attachment B. Contractor invoices shall be submitted no more frequently than monthly, but no later than quarterly. For services set forth in Sections I and II of Attachment A, Contractor shall submit monthly invoices not to exceed $1/12^{th}$ of the annual amount listed in the Fixed Price subtotal of Table B.1 of this Attachment B. Invoices for services set forth in Section III of Attachment A shall include the number of hours worked by employee during the specified billing period and the total amount billed, and reference the specific project being billed against. Invoices shall reference this Contract number, include date of submission, invoice number, amount billed for each scope of work, total amount billed, and be signed by the authorized representative of Contractor.
5. No benefits or insurance will be reimbursed by the State.
6. Invoices and any required reports shall reference this Contract number and be submitted electronically to: AHS.DVHAInvoices@vermont.gov
7. The total maximum amount payable under this Contract shall not exceed **$95,403,737.97**
8. **MMIS Operations**
    A. The following Operational Invoice Payment Schedule depicts the maximum amounts payable to the Contractor for MMIS services as set forth in Attachment A, Sections I and II, to this Contract based on claims processing volume parameters, known as "Base Services". Contractor shall invoice the State monthly for 1/12th of the annual fixed price amounts listed in the MMIS Fixed Price subtotal as shown in Table B.1. Contractor shall invoice the State monthly for bill as utilized services. This table does not include project costs shown in Table B.5 for which Contractor shall invoice separately.

Table B.1 – Operational Invoice Payment Schedule

MMIS Services	1/1/22-12/31/22	1/1/23-12/31/23	1/1/24-12/31/24	1/1/25 - 12/31/25	1/1/26 - 12/31/26	Budget Subtotals
Financial Management Business Services	$909,250.00	$948,660.00	$982,080.00	$1,004,010.00	$1,026,990.00	$4,870,990.00
Financial Management - Third Party Liability Business Services	$457,920.00	$477,770.00	$494,600.00	$505,650.00	$517,220.00	$2,453,160.00
Operations & Plan Management - Claims Business Services	$1,367,440.00	$1,426,710.00	$1,476,980.00	$1,509,960.00	$1,544,520.00	$7,325,610.00
Operations Management - Quality, Policy, Training & Support	$592,880.00	$618,580.00	$640,370.00	$654,670.00	$669,650.00	$3,176,150.00
Operations Management - Audit Services	$230,800.00	$245,700.00	$261,500.00	$278,100.00	$295,700.00	$1,311,800.00
Provider Management Business Services	$1,776,280.00	$1,853,280.00	$1,918,570.00	$1,961,410.00	$2,006,310.00	$9,515,850.00
Provider Enrollment Business Services	$916,250.00	$955,960.00	$989,640.00	$1,011,740.00	$1,034,900.00	$4,908,490.00
Mailroom, Print, and OCR Business Services	$743,880.00	$776,120.00	$803,470.00	$821,410.00	$840,210.00	$3,985,090.00
Medicaid Enterprise Systems IT and Account Support Services	$6,076,900.00	$6,340,290.00	$6,563,680.00	$6,747,470.00	$6,936,390.00	$32,664,730.00
Medicaid Enterprise Systems Analytics and Reporting	$451,720.00	$471,300.00	$487,900.00	$498,800.00	$510,210.00	$2,419,930.00
Provider Management Software as a Service	$2,515,360.00	$2,624,380.00	$2,716,840.00	$2,777,510.00	$2,841,090.00	$13,475,180.00
Medicaid Enterprise Systems EDI Services	$291,330.00	$303,960.00	$314,670.00	$321,690.00	$329,060.00	$1,560,710.00
MMIS Fixed Price - SUBTOTAL	**$16,330,010.00**	**$17,042,710.00**	**$17,650,300.00**	**$18,092,420.00**	**$18,552,250.00**	**$87,667,690.00**
Medicaid Enterprise Systems Modification (SO) Enhancements	$500,000.00	$500,000.00	$500,000.00	$500,000.00	$500,000.00	$2,500,000.00
Passthrough Costs: Postage, Bank Charges, Mailroom Consumables	$160,000.00	$160,000.00	$160,000.00	$160,000.00	$160,000.00	$800,000.00
SUBTOTAL - MMIS as billed	**$660,000.00**	**$660,000.00**	**$660,000.00**	**$660,000.00**	**$660,000.00**	**$3,300,000.00**
Electronic Visit Verification (EVV) as a Service:						
EVV Support Service	$87,280.00	$87,280.00	$87,280.00	$0.00	$0.00	$261,840.00
EVV Monthly Min Visit Fees	$65,249.55	$65,249.55	$65,249.55	$0.00	$0.00	$195,748.65
EVV Recurring Visits Over Minimum	$65,249.33	$65,249.33	$65,249.33	$0.00	$0.00	$195,747.99
EVV Recurring Aggregator Fee Per Member	$41,237.11	$41,237.11	$41,237.11	$0.00	$0.00	$123,711.33
SUBTOTAL - EVV	**$259,015.99**	**$259,015.99**	**$259,015.99**	**$0.00**	**$0.00**	**$777,047.97**
SUBTOTAL - MMIS Core, EVV, and As Billed Budgets	**$17,249,025.99**	**$17,961,725.99**	**$18,569,315.99**	**$18,752,420.00**	**$19,212,250.00**	**$91,744,737.97**

B. **Volume Accounting and Reconciliation**

Table B.2 – Estimated Volume Parameters

VOLUME PARAMETERS	Claims Processing	EDI Transactions
High Estimate	9,000,000	35,000,000
Median Estimate	6,000,000	25,000,000
Low Estimate	4,500,000	15,000,000

i. Claim volume accounting and reconciliation of changes in Contractor reimbursement
The following definitions of a claim delineate between claim types, and shall apply to administrative claims processing adjudication counts tracked and reported by Contractor:

a. For all institutional based services (Hospice (H), Inpatient/Outpatient (I/O), Home Health (Q), Institutional Crossovers (W,X), Nursing Home (N), a claim is a paper document and EMC (X12N) record of services rendered during a statement period or date range for which there are one or more service, accommodation, HCPCS and/or ancillary codes.

b. For all professional based services (Dental (L), Physician (M), Vision (P), Professional Crossovers (Y), a claim is a line item on paper document or an EMC (X12N) record of services rendered for a service date(s) for which there is a service code.

c. Claim Transactions: The total amount payable each year shall remain fixed unless the claims volume falls outside the estimated parameters for each Contract year. Should the actual claims volume, for a given year, fall outside the estimated parameters, a year-end financial adjustment to the amount payable for operations for that year may be made using the following process:

i. A unit value will be calculated by dividing the Operations & Plan Management - Claims Business Services price for the applicable year by the midpoint claims estimate for that year.

ii. If the actual claims volume falls below the low estimate claim parameter, Contractor shall reimburse the State a portion of the fixed price per the following calculation:

iii. Low Claims Volume Estimate minus Actual Claims Volume x 40% of the calculated unit value for the same contract year.

If the actual claims volume exceeds the high claims parameter for the Contract year, the State will make an additional payment to Contractor per the following calculation:
Actual Claims Volume minus High Claims Volume Estimate x 40% of the calculated unit value for the same Contract year.

An adjustment in the fixed price payment to Contractor for operations shall depend on verification and certification by State that actual claims volume counts are accurate and consistent with the definition of a claim as set forth in this section B.i.

ii. EDI Transaction volume accounting and reconciliation of changes in Contractor reimbursement
The following definition of an EDI transaction shall apply to counts tracked and reported by Contractor:

Table B.3 – Transaction Measurement Rules

EDI File Type	How Transactions are Counted	File Limits, Production
837(I,P,D)	Count by CLM segments; the # of claims is the recommended limit in the 837 TR3, but the count is not validated in IaaS	300 MB or 5000 claims
835	Count by CLP segments	1 GB flat file / XML
834	Count by INS segments	1 GB flat file / XML
820	Count by 2100B:ENT for Members. For organizations the count is on 2100A:ENT	1 GB flat file / XML
270 Batch	Count by the subscriber name segments (2100C:NM1)	30 MB
271 Batch	Count by the subscriber name segments (2100C:NM1)	Based on inbound 270
270 Interactive	Count by transaction, because a 270 transaction in interactive mode only contains 1 Member	1 request
271 Interactive	Count by transaction, because a 271 transaction in interactive mode only contains 1 Member	1 response
276 Batch	Count by claim status tracking number (2200D:TRN)	30 MB
277 Batch	Counting should be by claim status tracking number (2200D:TRN)	Based on inbound 276
276 Interactive	Counting is by transaction, because a 276 transaction in interactive mode only contains 1 claim status request	1 request
277 Interactive	Count by transaction, because a 277 transaction in interactive mode only contains 1 claim status response	1 response
278	Counting the ST segment(s).	300 MB
NCPDPs	Whether Pass-Thru or not, counting is record count (in one file) minus 2 (header and trailer).	200 MB per batch / 4 real time
999 Transaction	Count by 999 response file, since 999 is generated as an acknowledgment to transactions within a file	NA
TA1 Transaction	Count by TA1 response file, since TA1 is generated as an acknowledgment to the interchange envelopes within a file	NA
277CA	Count by transaction	NA

277U	Count 2100D NM1 segments (NM1*IL). If less than 1, then number of 2200D TRN segments	1 GB XML
HTML	Count from 999 transaction	NA
824	Count number of 2000:QTY01	1 GB flat file
Payer Initiated Eligibility/Benefit (PIE) Transaction	Counts are based on the number of Member records in batch file	

a. **EDI Transactions**: The total amount payable each year shall remain fixed unless the EDI transactions volume falls outside the estimated high and low parameters for that year. Should the actual EDI transaction volume, for a given year, fall outside the high and low estimated parameters, a year-end financial adjustment to the amount payable for operations for that year may be made using the following process:

i. The unit value will be set at 0.004 per transaction.

ii. If the actual EDI transactions volume falls below the low estimate EDI transactions parameter, Contractor shall reimburse the State a portion of the fixed price per the following calculation:

Low EDI Transactions Volume Estimate minus Actual EDI Transactions Volume x the unit value.

iii. If the actual EDI transactions volume exceeds the high estimate EDI transactions parameter for the Contract year, the State will make an additional payment to Contractor per the following calculation: Actual EDI Transactions minus High EDI Transactions Volume Estimate x unit value.

An adjustment in the fixed price payment to Contractor for operations shall depend on verification and certification that actual EDI transaction counts are accurate and consistent with the definition of a claim as set forth in Table B.3.

- The budget for EDI overages under this Contract shall not exceed $100,000.

iii. EVV Visit Transaction volume accounting and reconciliation of changes in Contractor reimbursement

a. The total amount payable each month shall remain fixed unless the EVV transactions volume exceeds the minimum estimated volume of 24,167 transactions. Any transaction over the minimum will be billed as utilized at the rate of $0.225 per transaction on a monthly basis.

b. A visit is defined as a single service delivery. Visits may be recorded using (a) telephony call into the Sandata system (b) the recording by the Sandata system of any of the following (i) the start of a visit, (ii) the end of a visit, (iii) the duration of a visit, (iv) a service performed during a visit, (v) corrections to any data in the Sandata EVV system or (vi) recording of a visit using the Sandata Mobile Connect Application.

iv. EVV Aggregator PMPM transaction volume account and reconciliation of changes in Contractor reimbursement

For all Members whose data is received via third-party EVV systems interfacing with the Aggregator service, a per member per month (PMPM) fee of $1.375 will be assessed. Contractor shall provide a monthly count of all members who are associated with a third party EVV vendor from the Aggregator system to support the monthly fee.

9. Project Retainage

Contractor agrees to a 10% retainage of each project invoice amount, for **One-time, Ongoing, and Future MMIS Modernization Projects** defined in Section III of Attachment A, and when the State has defined the initiative to be managed as a project. Hardware, software and license payments are not subject to retainage.

A. Deliverable Based Retainage Payments

The State will only authorize the retainage payment for deliverable based projects if all the following occur:

a. Contractor completes all deliverables associated with specific payment in accordance with the acceptance criteria. The acceptance criteria shall be mutually agreed upon by the parties;
b. State accepts all the milestones/deliverables for the project or specific payment based on the acceptance criteria; and
c. Project enhancements are successfully operational for 30 calendar days to be qualified for reimbursement of the retained amount.

After all the above occur, Contractor may submit a final invoice for payment of the total 10% retainage amount for that specific project.

B. Hourly Based Retainage Payments

For Projects paid against an hourly rate Contractor shall submit invoices twice yearly (June 30th and December 31st) based on actual hours worked and previously authorized.

10. Rate per Hour Billing

The modification hourly rate will be increased annually starting in year 2 of the Contract from the base rate of $132.00 per hour at a fixed rate of 2% increase per year. Contractor shall invoice the State for actual hours expended on system enhancements and projects utilizing this rate mechanism, unless agreed upon otherwise in writing within an authorized Specification Order or future Contract change.

11. Service Level Credits

Contractor shall adhere to the Technical and Functional Requirements and the Service Level Agreements set forth in Exhibit 1 and Exhibit 2 to Attachment A, and as subsequently amended, unless otherwise directed or authorized by the State in writing. This section describes the process by which the State may be entitled to an adjustment to the Service Credits for the Services.

Any remedy provided in this section for Contractor's failure to achieve a Service Level, including Service Level credits ("SLCs"), shall not limit or prevent the State from availing itself of concurrent or subsequent actions as stated within this Contract and permitted under State or federal laws. Based on this evaluation, the State may be entitled to adjustment to the Service Level Credits for the Services.

SERVICE LEVEL CREDITS (SLCs)
Triggering of SLCs
Contractor shall apply a Service Level Credit: A) In the amount provided within the SLA description upon failure to meet that one SLA. B) Of $1,000 in any month in which the Contractor fails to meet four (4) or more SLAs whose descriptions call for a Cumulative Credit. * C) Of $1,000 (per SLA) if the Contractor fails to meet any single SLA for three (3) or more months in a six (6) - month period. ** * If B is triggered for the Cumulative Credit, the total credit is $1,000 for the month. *This is not $1,000 per failed SLA.* ** If C is triggered for the repeated failure of a single SLA, the total credit is $1,000 per SLA that meets these criteria.
Invoice & Notice
The credit will be reported via a formal memo from Contractor according to the notice terms provided in the Contract. All credits shall be applied to the first invoice submitted by Contractor following the triggering of the SLC.

a. The amount of total SLCs in a single calendar month shall not exceed the At-Risk Amount. If the State elects to seek other remedies and is awarded damages under this Contract, any Service Credits paid about or related to such failures or delays shall be deducted from any damages awarded or agreed upon.

   If any of Contractor's reports or documentation to the State contain or state explicit information about failure to meet an SLC Condition per the above Table, then the State is automatically entitled to the applicable SLC and does not need to follow the process in Section c below. Contractor shall track and report any SLC failure to the State.

b. Reporting SLCs to the State: Within 30 calendar days following an SLC being triggered, Contractor shall inform the State of the SLC by sending written notice to the State and the notice shall contain the following information:
   1. The applicable performance failure and the applicable performance requirement.
   2. Any documentation evidencing Contractor's failure to adhere to performance requirements.
   3. The amount of the SLC.

c. General Terms and Conditions of SLCs:
   1. All credits shall be applied to the first fixed-price invoice submitted by Contractor following the triggering of an SLC.
   2. If more than one event triggering a Service Level default has occurred within a single month, the sum of the corresponding SLCs (up to the At-Risk Amount) may be claimed by State. If a single event triggers multiple SLA's failure, the State, at its sole discretion, shall choose one SLC condition to apply.

3. Regardless of the SLC's origin or basis, SLCs may be applied against any invoice from or payment to Contractor that is consistent with this section.
4. The SLCs may not be applied to any payments or funds due to Contractor outside the scope of this Agreement.
5. Contractor shall report the Service Level Credit via a formal memo to the State according to the Notices to Parties term in this Contract. All credits shall be applied to the first invoice submitted by Contractor following the triggering of an SLC.

d. Parties' Mutual Understanding of SLCs: SLCs credited hereunder shall not be deemed a penalty, but rather a cost adjustment attributable to the lower level of service delivery. Contractor acknowledges and agrees that Services delivered hereunder which meet the SLC Conditions set forth herein have inherently less value for the State and the SLCs represent a fair value for the services actually delivered; provided, however, the State shall retain all of its remedies in law or at equity in the event that the State is entitled to an SLC in any given month, subject to Contractor's actual limitation on damages as set forth in Attachment D to this Contract.

e. At-Risk Amount: The At-Risk Amount is the maximum amount of SLCs under this Contract that the State may receive in the aggregate for Service Level defaults occurring during a single calendar month unless otherwise specified in this Section. The "At-Risk Amount" shall be 20% percent of any monthly invoice, as determined in accordance with Attachment B, Payment Provisions, that are payable by State to Contractor during a calendar month in accordance with the terms and conditions of Attachment B.

f. Excused Performance: Contractor(s) shall only be responsible to the extent a failure to meet the Service Levels was solely and directly caused by acts or omissions of Contractor(s) and/or Contractor's subcontractor. Contractor shall not be responsible to the extent caused by:
   1. any act(s) or omission(s) of third parties (excluding third parties provided by Contractor or other third parties engaged by Contractor in relation to these or any other services provided under an agreement with the State); or
   2. Force Majeure events (as defined in Attachment C, Section 25), except that a Force Majeure Event shall not excuse, delay or suspend Contractor's obligation to invoke and follow its Project Management Plan or any other business continuity or disaster recovery obligations set forth in this Contract in a timely fashion.

g. The Contractor shall:
   1. be liable for, and indemnify State from and against any negligent, unlawful or wrongful acts or omissions all acts or omissions of Contractor (including their subcontractors, agents, and employees) which arise out of or directly relate to a loss or reduction of FFP (applicable to the services and deliverables under this agreement, and loss or reduction based on the maximum possible FFP eligible as if it were properly carried out), including their subcontractors, agents, and employees, except to the extent that such losses or reductions in FFP result from, in whole or in part, the negligence, unlawful or wrongful acts or omission of the State or a State agent/vendor. This provision, and Contractor's responsibility thereunder, shall survive the term of this agreement to the extent allowed under applicable state and federal law. The obligations in this Section will not exceed the limits on Contractor's Liability as set forth in Section 8 of Attachment D.

2. if there is reasonable certainty that FFP will be, or is, lost or reduced per subsection (a), the State may exercise any and all remedies available under this agreement, including but not limited to, the set off provision in Attachment C. Election of remedies under this agreement shall not foreclose, waive, or limit the State's ability to take further actions against Contractor (or its subcontractors, agents, and employees) to the extent allowed by law.

12. Total Budget

TABLE B.5 Total Operational and Project Costs

Total Budget 01/01/2022 – 12/31/2026	
MMIS Operations 5-year cost (includes bill as utilized operations)	**$91,744,737.97**
EDI Overages	$100,000
MAPIR Integration/Customization (through 12/31/2023)	$132,000
Payment and Delivery System (PADS) Reform (though 12/31/2023)	$1,000,000
Technology Updates – CM Platform (through 12/31/2022)	$15,000
T-MSIS Enhancements (though 12/31/2023)	$1,880,000
Electronic Visit Verification Project (EVV) Enhancements (through 12/31/2024)	$100,000
Provider Initiated Eligibility (PIE) Project	$105,000
Cost Sharing Enhancements	$227,000
Act 48 Implementation	$100,000
Total 'Not to Exceed' Contract Budget	**$95,403,737.97**

ATTACHMENT C: STANDARD STATE PROVISIONS FOR CONTRACTS AND GRANTS

REVISED DECEMBER 15, 2017

1. Definitions: For purposes of this Attachment, "Party" shall mean the Contractor, Grantee or Subrecipient, with whom the State of Vermont is executing this Agreement and consistent with the form of the Agreement. "Agreement" shall mean the specific contract or grant to which this form is attached.

2. Entire Agreement: This Agreement, whether in the form of a contract, State-funded grant, or Federally-funded grant, represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect.

3. Governing Law, Jurisdiction and Venue; No Waiver of Jury Trial: This Agreement will be governed by the laws of the State of Vermont. Any action or proceeding brought by either the State or the Party in connection with this Agreement shall be brought and enforced in the Superior Court of the State of Vermont, Civil Division, Washington Unit. The Party irrevocably submits to the jurisdiction of this court for any action or proceeding regarding this Agreement. The Party agrees that it must first exhaust any applicable administrative remedies with respect to any cause of action that it may have against the State with regard to its performance under this Agreement. Party agrees that the State shall not be required to submit to binding arbitration or waive its right to a jury trial.

4. Sovereign Immunity: The State reserves all immunities, defenses, rights or actions arising out of the State's sovereign status or under the Eleventh Amendment to the United States Constitution. No waiver of the State's immunities, defenses, rights or actions shall be implied or otherwise deemed to exist by reason of the State's entry into this Agreement.

5. No Employee Benefits For Party: The Party understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation or sick leave, workers compensation or other benefits or services available to State employees, nor will the State withhold any state or Federal taxes except as required under applicable tax laws, which shall be determined in advance of execution of the Agreement. The Party understands that all tax returns required by the Internal Revenue Code and the State of Vermont, including but not limited to income, withholding, sales and use, and rooms and meals, must be filed by the Party, and information as to Agreement income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.

6. Independence: The Party will act in an independent capacity and not as officers or employees of the State.

7. Defense and Indemnity: The Party shall defend the State and its officers and employees against all third party claims or suits arising in whole or in part from any act or omission of the Party or of any agent of the Party in connection with the performance of this Agreement. The State shall notify the Party in the event of any such claim or suit, and the Party shall immediately retain counsel and otherwise provide a complete defense against the entire claim or suit. The State retains the right to participate at its own expense in the defense of any claim. The State shall have the right to approve all proposed settlements of such claims or suits.

After a final judgment or settlement, the Party may request recoupment of specific defense costs and may file suit in Washington Superior Court requesting recoupment. The Party shall be entitled to recoup costs only upon a showing that such costs were entirely unrelated to the defense of any claim arising from an act or omission of the Party in connection with the performance of this Agreement.

The Party shall indemnify the State and its officers and employees if the State, its officers or employees become legally obligated to pay any damages or losses arising from any act or omission of the Party or an agent of the Party in connection with the performance of this Agreement.

Notwithstanding any contrary language anywhere, in no event shall the terms of this Agreement or any document furnished by the Party in connection with its performance under this Agreement obligate the State to (1) defend or indemnify the Party or any third party, or (2) otherwise be liable for the expenses or reimbursement, including attorneys' fees, collection costs or other costs of the Party or any third party.

8. Insurance: Before commencing work on this Agreement the Party must provide certificates of insurance to show that the following minimum coverages are in effect. It is the responsibility of the Party to maintain current certificates of insurance on file with the State through the term of this Agreement. No warranty is made that the coverages and limits listed herein are adequate to cover and protect the interests of the Party for the Party's operations. These are solely minimums that have been established to protect the interests of the State.

Workers Compensation: With respect to all operations performed, the Party shall carry workers' compensation insurance in accordance with the laws of the State of Vermont. Vermont will accept an out-of-state employer's workers' compensation coverage while operating in Vermont provided that the insurance carrier is licensed to write insurance in Vermont and an amendatory endorsement is added to the policy adding Vermont for coverage purposes. Otherwise, the party shall secure a Vermont workers' compensation policy, if necessary to comply with Vermont law.

General Liability and Property Damage: With respect to all operations performed under this Agreement, the Party shall carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises - Operations

Products and Completed Operations

Personal Injury Liability

Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

$1,000,000 Each Occurrence

$2,000,000 General Aggregate

$1,000,000 Products/Completed Operations Aggregate

$1,000,000 Personal & Advertising Injury

Automotive Liability: The Party shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the Agreement. Limits of coverage shall not be less than $500,000 combined single limit. If performance of this Agreement involves construction, or the transport of persons or hazardous materials, limits of coverage shall not be less than $1,000,000 combined single limit.

Additional Insured. The General Liability and Property Damage coverages required for performance of this Agreement shall include the State of Vermont and its agencies, departments, officers and employees as Additional Insureds. If performance of this Agreement involves construction, or the transport of persons or hazardous materials, then the required Automotive Liability coverage shall include the State of Vermont and its agencies, departments, officers and employees as Additional Insureds. Coverage shall be primary and non-contributory with any other insurance and self-insurance.

Notice of Cancellation or Change. There shall be no cancellation, change, potential exhaustion of aggregate limits or non-renewal of insurance coverage(s) without thirty (30) days written prior written notice to the State.

9. Reliance by the State on Representations: All payments by the State under this Agreement will be made in reliance upon the accuracy of all representations made by the Party in accordance with this Agreement, including but not limited to bills, invoices, progress reports and other proofs of work.

10. False Claims Act: The Party acknowledges that it is subject to the Vermont False Claims Act as set forth in 32 V.S.A. § 630 *et seq.* If the Party violates the Vermont False Claims Act it shall be liable to the State for civil penalties, treble damages and the costs of the investigation and prosecution of such violation, including attorney's fees, except as the same may be reduced by a court of competent jurisdiction. The Party's liability to the State under the False Claims Act shall not be limited notwithstanding any agreement of the State to otherwise limit Party's liability.

11. Whistleblower Protections: The Party shall not discriminate or retaliate against one of its employees or agents for disclosing information concerning a violation of law, fraud, waste, abuse of authority or acts threatening health or safety, including but not limited to allegations concerning the False Claims Act. Further, the Party shall not require such employees or agents to forego monetary awards as a result of such disclosures, nor should they

be required to report misconduct to the Party or its agents prior to reporting to any governmental entity and/or the public.

12. Location of State Data: No State data received, obtained, or generated by the Party in connection with performance under this Agreement shall be processed, transmitted, stored, or transferred by any means outside the continental United States, except with the express written permission of the State.

13. Records Available for Audit: The Party shall maintain all records pertaining to performance under this agreement. "Records" means any written or recorded information, regardless of physical form or characteristics, which is produced or acquired by the Party in the performance of this agreement. Records produced or acquired in a machine readable electronic format shall be maintained in that format. The records described shall be made available at reasonable times during the period of the Agreement and for three years thereafter or for any period required by law for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the three-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.

14. Fair Employment Practices and Americans with Disabilities Act: Party agrees to comply with the requirement of 21 V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Party shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990, as amended, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the Party under this Agreement.

15. Set Off: The State may set off any sums which the Party owes the State against any sums due the Party under this Agreement; provided, however, that any set off of amounts due the State of Vermont as taxes shall be in accordance with the procedures more specifically provided hereinafter.

16. Taxes Due to the State:

- **A.** Party understands and acknowledges responsibility, if applicable, for compliance with State tax laws, including income tax withholding for employees performing services within the State, payment of use tax on property used within the State, corporate and/or personal income tax on income earned within the State.
- **B.** Party certifies under the pains and penalties of perjury that, as of the date this Agreement is signed, the Party is in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due the State of Vermont.
- **C.** Party understands that final payment under this Agreement may be withheld if the Commissioner of Taxes determines that the Party is not in good standing with respect to or in full compliance with a plan to pay any and all taxes due to the State of Vermont.
- **D.** Party also understands the State may set off taxes (and related penalties, interest and fees) due to the State of Vermont, but only if the Party has failed to make an appeal within the time allowed by law, or an appeal has been taken and finally determined and the Party has no further legal recourse to contest the amounts due.

17. Taxation of Purchases: All State purchases must be invoiced tax free. An exemption certificate will be furnished upon request with respect to otherwise taxable items.

18. Child Support: (Only applicable if the Party is a natural person, not a corporation or partnership.) Party states that, as of the date this Agreement is signed, he/she:

- **A.** is not under any obligation to pay child support; or
- **B.** is under such an obligation and is in good standing with respect to that obligation; or
- **C.** has agreed to a payment plan with the Vermont Office of Child Support Services and is in full compliance with that plan.

Party makes this statement with regard to support owed to any and all children residing in Vermont. In addition, if the Party is a resident of Vermont, Party makes this statement with regard to support owed to any and all children residing in any other state or territory of the United States.

19. Sub-Agreements: Party shall not assign, subcontract or subgrant the performance of this Agreement or any portion thereof to any other Party without the prior written approval of the State. Party shall be responsible and liable to the State for all acts or omissions of subcontractors and any other person performing work under this Agreement pursuant to an agreement with Party or any subcontractor.

In the case this Agreement is a contract with a total cost in excess of $250,000, the Party shall provide to the State a list of all proposed subcontractors and subcontractors' subcontractors, together with the identity of those subcontractors' workers compensation insurance providers, and additional required or requested information, as applicable, in accordance with Section 32 of The Vermont Recovery and Reinvestment Act of 2009 (Act No. 54).

Party shall include the following provisions of this Attachment C in all subcontracts for work performed solely for the State of Vermont and subcontracts for work performed in the State of Vermont: Section 10 ("False Claims Act"); Section 11 ("Whistleblower Protections"); Section 12 ("Location of State Data"); Section 14 ("Fair Employment Practices and Americans with Disabilities Act"); Section 16 ("Taxes Due the State"); Section 18 ("Child Support"); Section 20 ("No Gifts or Gratuities"); Section 22 ("Certification Regarding Debarment"); Section 30 ("State Facilities"); and Section 32.A ("Certification Regarding Use of State Funds").

20. No Gifts or Gratuities: Party shall not give title or possession of anything of substantial value (including property, currency, travel and/or education programs) to any officer or employee of the State during the term of this Agreement.

21. Copies: Party shall use reasonable best efforts to ensure that all written reports prepared under this Agreement are printed using both sides of the paper.

22. Certification Regarding Debarment: Party certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, neither Party nor Party's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in Federal programs, or programs supported in whole or in part by Federal funds.

Party further certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, Party is not presently debarred, suspended, nor named on the State's debarment list at: http://bgs.vermont.gov/purchasing/debarment

23. Conflict of Interest: Party shall fully disclose, in writing, any conflicts of interest or potential conflicts of interest.

24. Confidentiality: Party acknowledges and agrees that this Agreement and any and all information obtained by the State from the Party in connection with this Agreement are subject to the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq.

25. Force Majeure: Neither the State nor the Party shall be liable to the other for any failure or delay of performance of any obligations under this Agreement to the extent such failure or delay shall have been wholly or principally caused by acts or events beyond its reasonable control rendering performance illegal or impossible (excluding strikes or lock-outs) ("Force Majeure"). Where Force Majeure is asserted, the nonperforming party must prove that it made all reasonable efforts to remove, eliminate or minimize such cause of delay or damages, diligently pursued performance of its obligations under this Agreement, substantially fulfilled all non-excused obligations, and timely notified the other party of the likelihood or actual occurrence of an event described in this paragraph.

26. Marketing: Party shall not refer to the State in any publicity materials, information pamphlets, press releases, research reports, advertising, sales promotions, trade shows, or marketing materials or similar communications to third parties except with the prior written consent of the State.

27. Termination:

A. Non-Appropriation: If this Agreement extends into more than one fiscal year of the State (July 1 to June 30), and if appropriations are insufficient to support this Agreement, the State may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority. In the case that this Agreement is a Grant that is funded in whole or in part by Federal funds, and in the event Federal funds become unavailable or reduced, the State may suspend or cancel this Grant immediately, and the State shall have no obligation to pay Subrecipient from State revenues.

B. Termination for Cause: Either party may terminate this Agreement if a party materially breaches its obligations under this Agreement, and such breach is not cured within thirty (30) days after delivery of the non-breaching party's notice or such longer time as the non-breaching party may specify in the notice.

C. Termination Assistance: Upon nearing the end of the final term or termination of this Agreement, without respect to cause, the Party shall take all reasonable and prudent measures to facilitate any transition required by the State. All State property, tangible and intangible, shall be returned to the State upon demand at no additional cost to the State in a format acceptable to the State.

28. Continuity of Performance: In the event of a dispute between the Party and the State, each party will continue to perform its obligations under this Agreement during the resolution of the dispute until this Agreement is terminated in accordance with its terms.

29. No Implied Waiver of Remedies: Either party's delay or failure to exercise any right, power or remedy under this Agreement shall not impair any such right, power or remedy, or be construed as a waiver of any such right, power or remedy. All waivers must be in writing.

30. State Facilities: If the State makes space available to the Party in any State facility during the term of this Agreement for purposes of the Party's performance under this Agreement, the Party shall only use the space in accordance with all policies and procedures governing access to and use of State facilities which shall be made available upon request. State facilities will be made available to Party on an "AS IS, WHERE IS" basis, with no warranties whatsoever.

31. Requirements Pertaining Only to Federal Grants and Subrecipient Agreements: If this Agreement is a grant that is funded in whole or in part by Federal funds:

A. Requirement to Have a Single Audit: The Subrecipient will complete the Subrecipient Annual Report annually within 45 days after its fiscal year end, informing the State of Vermont whether or not a Single Audit is required for the prior fiscal year. If a Single Audit is required, the Subrecipient will submit a copy of the audit report to the granting Party within 9 months. If a single audit is not required, only the Subrecipient Annual Report is required.

For fiscal years ending before December 25, 2015, a Single Audit is required if the subrecipient expends $500,000 or more in Federal assistance during its fiscal year and must be conducted in accordance with OMB Circular A-133. For fiscal years ending on or after December 25, 2015, a Single Audit is required if the subrecipient expends $750,000 or more in Federal assistance during its fiscal year and must be conducted in accordance with 2 CFR Chapter I, Chapter II, Part 200, Subpart F. The Subrecipient Annual Report is required to be submitted within 45 days, whether or not a Single Audit is required.

B. Internal Controls: In accordance with 2 CFR Part II, §200.303, the Party must establish and maintain effective internal control over the Federal award to provide reasonable assurance that the Party is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the United States and the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

C. Mandatory Disclosures: In accordance with 2 CFR Part II, §200.113, Party must disclose, in a timely manner, in writing to the State, all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures may result in the imposition of sanctions which

may include disallowance of costs incurred, withholding of payments, termination of the Agreement, suspension/debarment, etc.

32. Requirements Pertaining Only to State-Funded Grants:

A. Certification Regarding Use of State Funds: If Party is an employer and this Agreement is a State-funded grant in excess of $1,001, Party certifies that none of these State funds will be used to interfere with or restrain the exercise of Party's employee's rights with respect to unionization.

B. Good Standing Certification (Act 154 of 2016): If this Agreement is a State-funded grant, Party hereby represents: (i) that it has signed and provided to the State the form prescribed by the Secretary of Administration for purposes of certifying that it is in good standing (as provided in Section 13(a)(2) of Act 154) with the Agency of Natural Resources and the Agency of Agriculture, Food and Markets, or otherwise explaining the circumstances surrounding the inability to so certify, and (ii) that it will comply with the requirements stated therein.

(End of Standard Provisions)

ATTACHMENT D

INFORMATION TECHNOLOGY SYSTEM IMPLEMENTATION

TERMS AND CONDITIONS (rev. 3/08/19)

1. MODIFICATIONS TO CONTRACTOR DOCUMENTS

The parties specifically agree that the Contractor Documents are hereby modified and superseded by Attachment C and this Attachment D.

"Contractor Documents" shall mean one or more document, agreement or other instrument required by Contractor in connection with the performance of the products and services being purchased by the State, regardless of format, including the license agreement, end user license agreement or similar document, any hyperlinks to documents contained in the Contractor Documents, agreement or other instrument and any other paper or "shrinkwrap," "clickwrap," "browsewrap" or other electronic version thereof.

2. NO SUBSEQUENT, UNILATERAL MODIFICATION OF TERMS BY CONTRACTOR

Notwithstanding any other provision or other unilateral license terms which may be issued by Contractor during the Term of this Contract, and irrespective of whether any such provisions have been proposed prior to or after the issuance of an order for the products and services being purchased by the State, as applicable, the components of which are licensed under the Contractor Documents, or the fact that such other agreement may be affixed to or accompany the products and services being purchased by the State, as applicable, upon delivery, the terms and conditions set forth herein shall supersede and govern licensing and delivery of all products and services hereunder.

3. TERM OF CONTRACTOR'S DOCUMENTS; PAYMENT TERMS

Contractor acknowledges and agrees that, to the extent a Contractor Document provides for alternate term or termination provisions, including automatic renewals, such sections shall be waived and shall have no force and effect. All Contractor Documents shall run concurrently with the term of this Contract; provided, however, to the extent the State has purchased a perpetual license to use the Contractor's software, hardware or other services, such license shall remain in place unless expressly terminated in accordance with the terms of this Contract. Contractor acknowledges and agrees that, to the extent a Contractor Document provides for payment terms which differ from the payment terms set forth in Attachment B, such sections shall be waived and shall have no force and effect and the terms in Attachment B shall govern.

4. OWNERSHIP AND LICENSE IN DELIVERABLES. THIS SECTION SHALL CONTINUE TO APPLY TO SERVICES RECEIVED UNDER THE CONTRACT UNDER THE VERMONT MEDICAID MANAGEMENT INFORMATION SYSTEM (MMIS) AND THE ADVANCED INFORMATION MANAGEMENT SYSTEM (AIM). SYSTEM COMPONENTS AND OWNERSHIP ARE DEFINED IN SECTION II. MMIS BASE OPERATIONS: SYSTEM HOSTING, ADMINISTRATION, OPERATIONS AND MAINTENANCE OF THIS AGREEMENT.

4.1 Contractor Intellectual Property. Contractor shall retain all right, title and interest in and to any work, ideas, inventions, discoveries, tools, methodology, computer programs, processes and improvements and any other intellectual property, tangible or intangible, that has been created by Contractor prior to entering into this Contract ("Contractor Intellectual Property"). Should the State require a license for the use of Contractor Intellectual Property in connection with the development or use of the items that Contractor is required to deliver to the State under this Contract, including Work Product ("Deliverables"), the Contractor shall grant

the State a royalty-free license for such development and use. For the avoidance of doubt, Work Product shall not be deemed to include Contractor Intellectual Property, provided the State shall be granted an irrevocable, perpetual, non-exclusive royalty-free license to use any such Contractor Intellectual Property that is incorporated into Work Product.

4.2 State Intellectual Property. The State shall retain all right, title and interest in and to (i) all content and all property, data and information furnished by or on behalf of the State or any agency, commission or board thereof, and to all information that is created under this Contract, including, but not limited to, all data that is generated under this Contract as a result of the use by Contractor, the State or any third party of any technology systems or knowledge bases that are developed for the State and used by Contractor hereunder, and all other rights, tangible or intangible; and (ii) all State trademarks, trade names, logos and other State identifiers, Internet uniform resource locators, State user name or names, Internet addresses and e-mail addresses obtained or developed pursuant to this Contract (collectively, "State Intellectual Property").

Contractor may not use State Intellectual Property for any purpose other than as specified in this Contract. Upon expiration or termination of this Contract, Contractor shall return or destroy all State Intellectual Property and all copies thereof, and Contractor shall have no further right or license to such State Intellectual Property.

Contractor acquires no rights or licenses, including, without limitation, intellectual property rights or licenses, to use State Intellectual Property for its own purposes. In no event shall the Contractor claim any security interest in State Intellectual Property.

4.3 Work Product. All Work Product shall belong exclusively to the State, with the State having the sole and exclusive right to apply for, obtain, register, hold and renew, in its own name and/or for its own benefit, all patents and copyrights, and all applications and registrations, renewals and continuations thereof and/or any and all other appropriate protection. To the extent exclusive title and/or complete and exclusive ownership rights in and to any Work Product may not originally vest in the State by operation of law or otherwise as contemplated hereunder, Contractor shall immediately upon request, unconditionally and irrevocably assign, transfer and convey to the State all right, title and interest therein.

"Work Product" means any tangible or intangible ideas, inventions, improvements, modifications, discoveries, development, customization, configuration, methodologies or processes, designs, models, drawings, photographs, reports, formulas, algorithms, patterns, devices, compilations, databases, computer programs, work of authorship, specifications, operating instructions, procedures manuals or other documentation, technique, know-how, secret, or intellectual property right whatsoever or any interest therein (whether patentable or not patentable or registerable under copyright or similar statutes or subject to analogous protection), that is specifically made, conceived, discovered or reduced to practice by Contractor, either solely or jointly with others, pursuant to this Contract. Work Product does not include Contractor Intellectual Property or third party intellectual property.

To the extent delivered under this Contract, upon full payment to Contractor in accordance with Attachment B, and subject to the terms and conditions contained herein, Contractor hereby (i) assigns to State all rights in and to all Deliverables, except to the extent they include any Contractor Intellectual Property; and (ii) grants to State a perpetual, non-exclusive, irrevocable, royalty-free license to use for State's internal business purposes, any Contractor Intellectual Property included in the Deliverables in connection with its use of the Deliverables and, subject to the State's obligations with respect to Confidential Information, authorize others to do the same on the State's behalf. Except for the foregoing license grant, Contractor or its licensors retain all rights in and to all Contractor Intellectual Property.

The Contractor shall not sell or copyright a Deliverable without explicit permission from the State.

If the Contractor is operating a system or application on behalf of the State of Vermont, then the Contractor shall not make information entered into the system or application available for uses by any other party than the State of Vermont, without prior authorization by the State. Nothing herein shall entitle the State to pre-existing Contractor Intellectual Property or Contractor Intellectual Property developed outside of this Contract with no assistance from State.

4* THIS SECTION IS APPLICABLE TO THE SOFTWARE AS A SERVICE, DEFINED AS (MMIS BASE OPERATIONS: SYSTEM HOSTING, ADMINISTRATION, OPERATIONS AND MAINTENANCE [THE SYSTEM], PROVIDED BY THE CONTRACTOR .

4*.1 Contractor Intellectual Property.

As between the parties, and subject to the terms and conditions of this Contract, Contractor and its third-party suppliers will retain ownership of all intellectual property rights for the application services specified as Contractor owned Software as a Service (SaaS) in Attachment A Section II (MMIS Base Operations: System Hosting, Administration, Operations and Maintenance) [herein known as the System], and any and all derivative works made to the System or any part thereof, as well as all Work Product provided to the State ("**Contractor Proprietary Technology**"). The State acquires no rights to Contractor Proprietary Technology except for the licensed interests granted under this Contract. The term "**Work Product**" means all other materials, reports, manuals, visual aids, documentation, ideas, concepts, techniques, inventions, processes, or works of authorship developed, provided or created by Contractor or its employees or contractors during the course of performing work for the State (excluding any State Data or derivative works thereof and excluding any output from the System generated by the State's use of the [System], including without limitation, reports, graphs, charts and modified State Data, but expressly including any form templates of such reports, graphs or charts by themselves that do not include the State Data).

Title, ownership rights, and all Intellectual Property Rights in and to the [System] will remain the sole property of Contractor or its suppliers. The State acknowledges that the source code is not covered by any license hereunder and will not be provided by Contractor. Except as set forth in this Contract, no right or implied license or right of any kind is granted to the State regarding the [System] or any part thereof. Nothing in this Contract confers upon either party any right to use the other party's trade names and trademarks, except for permitted license use in accordance with this Contract. All use of such marks by either party will inure to the benefit of the owner of such marks, use of which will be subject to specifications controlled by the owner.

4*.2 State Intellectual Property

The State shall retain all right, title and interest in and to (i) all content and all property, data and information furnished by or on behalf of the State or any agency, commission or board thereof, and to all information that is created under this Contract, including, but not limited to, all data that is generated under this Contract as a result of the use by Contractor, the State or any third party of any technology systems or knowledge bases that are developed for the State and used by Contractor hereunder, and all other rights, tangible or intangible; and (ii) all State trademarks, trade names, logos and other State identifiers, Internet uniform resource locators, State user name or names, Internet addresses and e-mail addresses obtained or developed pursuant to this Contract (collectively, "**State Intellectual Property**").

Contractor may not collect, access or use State Intellectual Property for any purpose other than as specified in this Contract. Upon expiration or termination of this Contract, Contractor shall return or destroy all State Intellectual Property and all copies thereof, and Contractor shall have no further right or license to such State Intellectual Property.

Contractor acquires no rights or licenses, including, without limitation, intellectual property rights or licenses, to use State Intellectual Property for its own purposes. In no event shall the Contractor claim any security interest in State Intellectual Property.

5. CONFIDENTIALITY AND NON-DISCLOSURE; SECURITY BREACH REPORTING

5.1 For purposes of this Contract, confidential information will not include information or material which (a) enters the public domain (other than as a result of a breach of this Contract); (b) was in the receiving party's possession prior to its receipt from the disclosing party; (c) is independently developed by the receiving party without the use of confidential information; (d) is obtained by the receiving party from a third party under no obligation of confidentiality to the disclosing party; or (e) is not exempt from disclosure under applicable State law.

5.2 Confidentiality of Contractor Information. The Contractor acknowledges and agrees that this Contract and any and all Contractor information obtained by the State in connection with this Contract are subject to the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq. The State will not disclose information for which a reasonable claim of exemption can be made pursuant to 1 V.S.A. § 317(c), including, but not limited to, trade secrets, proprietary information or financial information, including any formulae, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information which is not patented, which is known only to the Contractor, and which gives the Contractor an opportunity to obtain business advantage over competitors who do not know it or use it.

The State shall immediately notify Contractor of any request made under the Access to Public Records Act, or any request or demand by any court, governmental agency or other person asserting a demand or request for Contractor information. Contractor may, in its discretion, seek an appropriate protective order, or otherwise defend any right it may have to maintain the confidentiality of such information under applicable State law within three business days of the State's receipt of any such request. Contractor agrees that it will not make any claim against the State if the State makes available to the public any information in accordance with the Access to Public Records Act or in response to a binding order from a court or governmental body or agency compelling its production. Contractor shall indemnify the State for any costs or expenses incurred by the State, including, but not limited to, attorneys' fees awarded in accordance with 1 V.S.A. § 320, in connection with any action brought in connection with Contractor's attempts to prevent or unreasonably delay public disclosure of Contractor's information if a final decision of a court of competent jurisdiction determines that the State improperly withheld such information and that the improper withholding was based on Contractor's attempts to prevent public disclosure of Contractor's information.

The State agrees that (a) it will use the Contractor information only as may be necessary in the course of performing duties, receiving services or exercising rights under this Contract; (b) it will provide at a minimum the same care to avoid disclosure or unauthorized use of Contractor information as it provides to protect its own similar confidential and proprietary information; (c) except as required by the Access to Records Act, it will not disclose such information orally or in writing to any third party unless that third party is subject to a written confidentiality agreement that contains restrictions and safeguards at least as restrictive as those contained in this Contract; (d) it will take all reasonable precautions to protect the Contractor's information; and (e) it will not otherwise appropriate such information to its own use or to the use of any other person or entity.

Contractor may affix an appropriate legend to Contractor information that is provided under this Contract to reflect the Contractor's determination that any such information is a trade secret, proprietary information or financial information at time of delivery or disclosure.

5.3 Confidentiality of State Information. In performance of this Contract, and any exhibit or schedule hereunder, the Contractor acknowledges that certain State Data (as defined below), to which the Contractor may have access may contain individual federal tax information, personal protected health information and other individually identifiable information protected by State or federal law or otherwise exempt from disclosure under the State of Vermont Access to Public Records Act, 1 V.S.A. § 315 et seq. ("State Data"). [In addition to the provisions of this Section, the Contractor shall comply with the requirements set forth in the State's HIPAA Business Associate Agreement attached to this Contract as Attachment E.

State Data shall not be stored, accessed from, or transferred to any location outside the United States.

Unless otherwise instructed by the State, Contractor agrees to keep confidential all State Data. The Contractor agrees that (a) it will use the State Data only as may be necessary in the course of performing duties or exercising rights under this Contract; (b) it will provide at a minimum the same care to avoid disclosure or unauthorized use of State Data as it provides to protect its own similar confidential and proprietary information; (c) it will not publish, reproduce, or otherwise divulge any State Data in whole or in part, in any manner or form orally or in writing to any third party unless it has received written approval from the State and that third party is subject to a written confidentiality agreement that contains restrictions and safeguards at least as restrictive as those contained in this Contract; (d) it will take all reasonable precautions to protect the State's information; and (e) it will not otherwise appropriate such information to its own use or to the use of any other person or entity. Contractor will take reasonable measures as are necessary to restrict access to State Data in the Contractor's possession to only those employees on its staff who must have the information on a "need to know" basis. The Contractor shall not retain any State Data except to the extent required to perform the services under this Contract.

Contractor shall not access State user accounts or State Data, except in the course of data center operations, response to service or technical issues, as required by the express terms of this Contract, or at State's written request.

Contractor may not share State Data with its parent company or other affiliate without State's express written consent.

The Contractor shall promptly notify the State of any request or demand by any court, governmental agency or other person asserting a demand or request for State Data to which the Contractor or any third party hosting service of the Contractor may have access, so that the State may seek an appropriate protective order.

6. SECURITY OF STATE INFORMATION

6.1 Security Standards. To the extent the Contractor or its subcontractors, affiliates or agents handles, collects, stores, disseminates or otherwise deals with State Data, the Contractor represents and warrants that it has implemented and it shall maintain during the term of this Contract the highest industry standard administrative, technical, and physical safeguards and controls consistent with NIST *Special Publication 800-53* (version 4 or higher) and *Federal Information Processing Standards Publication* 200 and designed to (i) ensure the security and confidentiality of State Data; (ii) protect against any anticipated security threats or hazards to the security or integrity of the State Data; and (iii) protect against unauthorized access to or use of State Data. Such measures shall include at a minimum: (1) access controls on information systems, including controls to authenticate and permit access to State Data only to authorized individuals and controls to prevent the Contractor employees from providing State Data to unauthorized individuals who may seek to obtain this information (whether through fraudulent means or otherwise); (2) industry-standard firewall protection; (3) encryption of electronic State Data while in transit from the Contractor networks to external networks; (4) measures to store in a secure fashion all State Data which shall include, but not be limited to, encryption at rest and multiple levels of authentication; (5) dual control procedures, segregation of duties, and pre-

employment criminal background checks for employees with responsibilities for or access to State Data; (6) measures to ensure that the State Data shall not be altered or corrupted without the prior written consent of the State; (7) measures to protect against destruction, loss or damage of State Data due to potential environmental hazards, such as fire and water damage; (8) staff training to implement the information security measures; and (9) monitoring of the security of any portions of the Contractor systems that are used in the provision of the services against intrusion on a twenty-four (24) hour a day basis.

6.2 Security Breach Notice and Reporting. The Contractor shall have policies and procedures in place for the effective management of Security Breaches, as defined below, which shall be made available to the State upon request.

In addition to the requirements set forth in any applicable Business Associate Agreement as may be attached to this Contract, in the event of any actual security breach or reasonable belief of an actual security breach the Contractor either suffers or learns of that either compromises or could compromise State Data (a "Security Breach"), the Contractor shall notify the State within 24 hours of its discovery. Contractor shall immediately determine the nature and extent of the Security Breach, contain the incident by stopping the unauthorized practice, recover records, shut down the system that was breached, revoke access and/or correct weaknesses in physical security. Contractor shall report to the State: (i) the nature of the Security Breach; (ii) the State Data used or disclosed; (iii) who made the unauthorized use or received the unauthorized disclosure; (iv) what the Contractor has done or shall do to mitigate any deleterious effect of the unauthorized use or disclosure; and (v) what corrective action the Contractor has taken or shall take to prevent future similar unauthorized use or disclosure. The Contractor shall provide such other information, including a written report, as reasonably requested by the State. Contractor shall analyze and document the incident and provide all notices required by applicable law.

In accordance with Section 9 V.S.A. §2435(b)(3), the Contractor shall notify the Office of the Attorney General, or, if applicable, Vermont Department of Financial Regulation ("DFR"), within fourteen (14) business days of the Contractor's discovery of the Security Breach. The notice shall provide a preliminary description of the breach. The foregoing notice requirement shall be included in the subcontracts of any of Contractor's subcontractors, affiliates or agents which may be "data collectors" hereunder.

The Contractor agrees to fully cooperate with the State and assume responsibility at its own expense for the following, to be determined in the sole discretion of the State: (i) notice to affected consumers if the State determines it to be appropriate under the circumstances of any particular Security Breach, in a form recommended by the AGO; and (ii) investigation and remediation associated with a Security Breach, including but not limited to, outside investigation, forensics, counsel, crisis management and credit monitoring, in the sole determination of the State.

The Contractor agrees to comply with all applicable laws, as such laws may be amended from time to time (including, but not limited to, Chapter 62 of Title 9 of the Vermont Statutes and all applicable State and federal laws, rules or regulations) that require notification in the event of unauthorized release of personally-identifiable information or other event requiring notification.

In addition to any other indemnification obligations in this Contract, the Contractor shall fully indemnify and save harmless the State from any costs, loss or damage to the State resulting from a Security Breach or the unauthorized disclosure of State Data by the Contractor, its officers, agents, employees, and subcontractors.

6.3 Security Policies. To the extent the Contractor or its subcontractors, affiliates or agents handles, collects, stores, disseminates or otherwise deals with State Data, the Contractor will have an information security policy that protects its systems and processes and media that may contain State Data from internal and external security threats and State Data from unauthorized disclosure, and will have provided a copy of such policy to

the State. The Contractor shall provide the State with not less than thirty (30) days advance written notice of any material amendment or modification of such policies.

6.4 Operations Security. To the extent the Contractor or its subcontractors, affiliates or agents handles, collects, stores, disseminates or otherwise deals with State Data, the Contractor shall cause an SSAE 18 SOC 2 Type 2 audit report to be conducted annually. The audit results and the Contractor's plan for addressing or resolution of the audit results shall be shared with the State within sixty (60) days of the Contractor's receipt of the audit results. Further, on an annual basis, within 90 days of the end of the Contractor's fiscal year, the Contractor shall transmit its annual audited financial statements to the State.

6.5 Redundant Back-Up. The Contractor shall maintain a fully redundant backup data center geographically separated from its main data center that maintains near realtime replication of data from the main data center. The Contractor's back-up policies shall be made available to the State upon request. The Contractor shall provide the State with not less than thirty (30) days advance written notice of any material amendment or modification of such policies.

6.6 Vulnerability Testing. The Contractor shall run quarterly vulnerability assessments and promptly report results to the State. Contractor shall remediate all critical issues within 90 days, all medium issues within 120 days and low issues within 180 days. Contractor shall obtain written State approval for any exceptions. Once remediation is complete, Contractor shall re-perform the test.

7. CONTRACTOR'S REPRESENTATIONS AND WARRANTIES

7.1 General Representations and Warranties. The Contractor represents, warrants and covenants that:

(i) The Contractor has all requisite power and authority to execute, deliver and perform its obligations under this Contract and the execution, delivery and performance of this Contract by the Contractor has been duly authorized by the Contractor.

(ii) There is no outstanding litigation, arbitrated matter or other dispute to which the Contractor is a party which, if decided unfavorably to the Contractor, would reasonably be expected to have a material adverse effect on the Contractor's ability to fulfill its obligations under this Contract.

(iii) The Contractor will comply with all laws applicable to its performance of the services and otherwise to the Contractor in connection with its obligations under this Contract.

(iv) The Contractor (a) owns, or has the right to use under valid and enforceable agreements, all intellectual property rights reasonably necessary for and related to delivery of the services and provision of the Deliverables as set forth in this Contract; (b) shall be responsible for and have full authority to license all proprietary and/or third party software modules, including algorithms and protocols, that Contractor incorporates into its product; and (c) none of the Deliverables or other materials or technology provided by the Contractor to the State will infringe upon or misappropriate the intellectual property rights of any third party.

(v) The Contractor has adequate resources to fulfill its obligations under this Contract.

(vi) Neither Contractor nor Contractor's subcontractors has past state or federal violations, convictions or suspensions relating to miscoding of employees in NCCI job codes for purposes of differentiating between independent contractors and employees.

7.2 Contractor's Performance Warranties. Contractor represents and warrants to the State that:

(i) All Deliverables shall perform in accordance with the specifications therefor.

(ii) Contractor will provide to the State commercially reasonable continuous and uninterrupted access to the Service, and will not interfere with the State's access to and use of the Service during the term of this Contract;

(iii) The Service is compatible with and will operate successfully with any environment (including web browser and operating system) specified by the Contractor in its documentation;

(iv) Each and all of the services shall be performed in a timely, diligent, professional and skillful manner, in accordance with the professional or technical standards applicable to such services, by qualified persons with the technical skills, training and experience to perform such services in the planned environment.

(v) All Deliverables supplied by the Contractor to the State shall be transferred free and clear of any and all restrictions on the conditions of transfer, modification, licensing, sublicensing and free and clear of any and all liens, claims, mortgages, security interests, liabilities and encumbrances or any kind.

(vi) Any time software is delivered to the State, whether delivered via electronic media or the internet, no portion of such software or the media upon which it is stored or delivered will have any type of software routine or other element which is designed to facilitate unauthorized access to or intrusion upon; or unrequested disabling or erasure of; or unauthorized interference with the operation of any hardware, software, data or peripheral equipment of or utilized by the State. Without limiting the generality of the foregoing, if the State believes that harmful code may be present in any software delivered hereunder, Contractor will, upon State's request, provide a new or clean install of the software. Notwithstanding the foregoing, Contractor assumes no responsibility for the State's negligence or failure to protect data from viruses, or any unintended modification, destruction or disclosure.

(vii) To the extent Contractor resells commercial hardware or software it purchased from a third party, Contractor will, to the extent it is legally able to do so, pass through any such third party warranties to the State and will reasonably cooperate in enforcing them. Such warranty pass-through will not relieve the Contractor from Contractor's warranty obligations set forth herein.

7.3 Limitation on Disclaimer. The express warranties set forth in this Contract shall be in lieu of all other warranties, express or implied.

7.4 Effect of Breach of Warranty. If, at any time during the term of this Contract, software or the results of Contractor's work fail to perform according to any warranty of Contractor under this Contract, the State shall promptly notify Contractor in writing of such alleged nonconformance, and Contractor shall, at its own expense and without limiting any other rights or remedies of the State hereunder, re-perform or replace any services that the State has determined to be unsatisfactory in its reasonable discretion. Alternatively, with State consent, the Contractor may refund of all amounts paid by State for the nonconforming deliverable or service

8. PROFESSIONAL LIABILITY AND CYBER LIABILITY INSURANCE COVERAGE

In addition to the insurance required in Attachment C to this Contract, before commencing work on this Contract and throughout the term of this Contract, Contractor agrees to procure and maintain (a) Technology Professional Liability insurance for any and all services performed under this Contract, with minimum third party coverage of $5,000,000 per claim, $5,000,000 aggregate; and (b) first party Breach Notification Coverage of not less than $5,000,000.

Before commencing work on this Contract the Contractor must provide certificates of insurance to show that the

foregoing minimum coverages are in effect.

With respect to the first party Breach Notification Coverage, Contractor shall include the State of Vermont and its officers and employees as additional insureds for liability arising out of this Contract.

9. LIMITATION OF LIABILITY.

CONTRACTOR'S LIABILITY FOR DAMAGES TO THE STATE ARISING OUT OF THE SUBJECT MATTER OF THIS CONTRACT SHALL NOT EXCEED TWO TIMES THE MAXIMUM AMOUNT PAYABLE UNDER THIS CONTRACT. LIMITS OF LIABILITY FOR STATE CLAIMS SHALL NOT APPLY TO STATE CLAIMS ARISING OUT OF: (A) CONTRACTOR'S OBLIGATION TO INDEMNIFY THE STATE; (B) CONTRACTOR'S CONFIDENTIALITY OBLIGATIONS TO THE STATE; (C) PERSONAL INJURY OR DAMAGE TO REAL OR PERSONAL PROPERTY; (D) CONTRACTOR'S GROSS NEGLIGENCE, FRAUD OR INTENTIONAL MISCONDUCT; OR (E) VIOLATIONS OF THE STATE OF VERMONT FRAUDULENT CLAIMS ACT. IN NO EVENT SHALL THIS LIMIT OF LIABILITY BE CONSTRUED TO LIMIT CONTRACTOR'S LIABILITY FOR THIRD PARTY CLAIMS AGAINST THE CONTRACTOR WHICH MAY ARISE OUT OF CONTRACTOR'S ACTS OR OMISSIONS IN THE PERFORMANCE OF THIS CONTRACTSUB.

NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INDIRECT, INCIDENTAL OR SPECIAL DAMAGES, DAMAGES WHICH ARE UNFORESEEABLE TO THE PARTIES AT THE TIME OF CONTRACTING, DAMAGES WHICH ARE NOT PROXIMATELY CAUSED BY A PARTY, SUCH AS LOSS OF ANTICIPATED BUSINESS, OR LOST PROFITS, INCOME, GOODWILL, OR REVENUE IN CONNECTION WITH OR ARISING OUT OF THE SUBJECT MATTER OF THIS CONTRACT.

The provisions of this Section shall apply notwithstanding any other provisions of this Contract or any other agreement.

10. TRADE SECRET, PATENT AND COPYRIGHT INFRINGEMENT

The State shall not be deemed to waive any of its rights or remedies at law or in equity in the event of Contractor's trade secret, patent and/or copyright infringement.

11. REMEDIES FOR DEFAULT; NO WAIVER OF REMEDIES

In the event either party is in default under this Contract, the non-defaulting party may, at its option, pursue any or all of the remedies available to it under this Contract, including termination for cause, and at law or in equity.

No delay or failure to exercise any right, power or remedy accruing to either party upon breach or default by the other under this Contract shall impair any such right, power or remedy, or shall be construed as a waiver of any such right, power or remedy, nor shall any waiver of a single breach or default be deemed a waiver of any subsequent breach or default. All waivers must be in writing.

12. NO ASSUMPTION OF COSTS

Any requirement that the State defend or indemnify Contractor or otherwise be liable for the expenses or reimbursement, including attorneys' fees, collection costs or license verification costs of Contractor, is hereby deleted from the Contractor Documents.

13. TERMINATION

Upon termination of this Contract for any reason whatsoever, Contractor shall immediately deliver to the State all State information, State Intellectual Property or State Data (including without limitation any Deliverables for

which State has made payment in whole or in part) ("State Materials"), that are in the possession or under the control of Contractor in whatever stage of development and form of recordation such State property is expressed or embodied at that time.

In the event the Contractor ceases conducting business in the normal course, becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets or avails itself of or becomes subject to any proceeding under the Federal Bankruptcy Act or any statute of any state relating to insolvency or the protection of rights of creditors, the Contractor shall immediately return all State Materials to State control; including, but not limited to, making all necessary access to applicable remote systems available to the State for purposes of downloading all State Materials.

Contractor shall reasonably cooperate with other parties in connection with all services to be delivered under this Contract, including without limitation any successor provider to whom State Materials are to be transferred in connection with termination. Contractor shall assist the State in exporting and extracting the State Materials, in a format usable without the use of the Services and as agreed to by State, at no additional cost.

Any transition services requested by State involving additional knowledge transfer and support may be subject to a contract amendment for a fixed fee or at rates to be mutually agreed upon by the parties.

If the State determines in its sole discretion that a documented transition plan is necessary, then no later than sixty (60) days prior to termination, Contractor and the State shall mutually prepare a Transition Plan identifying transition services to be provided.

14. ACCESS TO STATE DATA:

The State may import or export State Materials in part or in whole at its sole discretion at any time (24 hours a day, seven (7) days a week, 365 days a year), during the term of this Contract or for up to [three (3) months] after the Term (so long as the State Materials remain in the Contractor's possession) without interference from the Contractor in a format usable without the Service and in an agreed-upon file format and medium at no additional cost to the State.

The Contractor must allow the State access to information such as system logs and latency statistics that affect its State Materials and or processes.

The Contractor's policies regarding the retrieval of data upon the termination of services have been made available to the State upon execution of this Contract under separate cover. The Contractor shall provide the State with not less than thirty (30) days advance written notice of any material amendment or modification of such policies.

15. AUDIT RIGHTS

Contractor will maintain and cause its permitted contractors to maintain a complete audit trail of all transactions and activities, financial and non-financial, in connection with this Contract. Contractor will provide to the State, its internal or external auditors, clients, inspectors, regulators and other designated representatives, at reasonable times (and in the case of State or federal regulators, at any time required by such regulators) access to Contractor personnel and to any and all Contractor facilities or where the required information, data and records are maintained, for the purpose of performing audits and inspections (including unannounced and random audits) of Contractor and/or Contractor personnel and/or any or all of the records, data and information applicable to this Contract.

At a minimum, such audits, inspections and access shall be conducted to the extent permitted or required by any laws applicable to the State or Contractor (or such higher or more rigorous standards, if any, as State or Contractor applies to its own similar businesses, operations or activities), to (i) verify the accuracy of charges and invoices; (ii) verify the integrity of State Data and examine the systems that process, store, maintain, support and transmit

that data; (iii) examine and verify Contractor's and/or its permitted contractors' operations and security procedures and controls; (iv) examine and verify Contractor's and/or its permitted contractors' disaster recovery planning and testing, business resumption and continuity planning and testing, contingency arrangements and insurance coverage; and (v) examine Contractor's and/or its permitted contractors' performance of the Services including audits of: (1) practices and procedures; (2) systems, communications and information technology; (3) general controls and physical and data/information security practices and procedures; (4) quality initiatives and quality assurance, (5) contingency and continuity planning, disaster recovery and back-up procedures for processes, resources and data; (6) Contractor's and/or its permitted contractors' efficiency and costs in performing Services; (7) compliance with the terms of this Contract and applicable laws, and (9) any other matters reasonably requested by the State. Contractor shall provide and cause its permitted contractors to provide full cooperation to such auditors, inspectors, regulators and representatives in connection with audit functions and with regard to examinations by regulatory authorities, including the installation and operation of audit software.

16. DESTRUCTION OF STATE DATA

At any time during the term of this Contract within (i) thirty days of the State's written request or (ii) [three (3) months] of termination or expiration of this Contract for any reason, and in any event after the State has had an opportunity to export and recover the State Materials, Contractor shall at its own expense securely destroy and erase from all systems it directly or indirectly uses or controls all tangible or intangible forms of the State Materials, in whole or in part, and all copies thereof except such records as are required by law. The destruction of State Data and State Intellectual Property shall be performed according to National Institute of Standards and Technology (NIST) approved methods. Contractor shall certify in writing to the State that such State Data has been disposed of securely. To the extent that any applicable law prevents Contractor from destroying or erasing State Materials as set forth herein, Contractor shall retain, in its then current state, all such State Materials then within its right of control or possession in accordance with the confidentiality, security and other requirements of this Contract, and perform its obligations under this section as soon as such law no longer prevents it from doing so.

Further, upon the relocation of State Data, Contractor shall securely dispose of such copies from the former data location and certify in writing to the State that such State Data has been disposed of securely. Contractor shall comply with all reasonable directions provided by the State with respect to the disposal of State Data.

17 CONTRACTOR BANKRUPTCY.

Contractor acknowledges that if Contractor, as a debtor in possession, or a trustee in bankruptcy in a case under Section 365(n) of Title 11, United States Code (the "Bankruptcy Code"), rejects this Contract, the State may elect to retain its rights under this Contract as provided in Section 365(n) of the Bankruptcy Code. Upon written request of the State to Contractor or the Bankruptcy Trustee, Contractor or such Bankruptcy Trustee shall not interfere with the rights of the State as provided in this Contract, including the right to obtain the State Intellectual Property.

18 SOFTWARE LICENSEE COMPLIANCE REPORT.

In lieu of any requirement that may be in a Contractor Document that the State provide the Contractor with access to its System for the purpose of determining State compliance with the terms of the Contractor Document, upon request and not more frequently than annually, the State will provide Contractor with a certified report concerning the State's use of any software licensed for State use pursuant this Contract. The parties agree that any non-compliance indicated by the report shall not constitute infringement of the licensor's intellectual property rights, and that settlement payment mutually agreeable to the parties shall be the exclusive remedy for any such non-compliance.

19. SOV Cybersecurity Standard 19-01

All products and service provided to or for the use of the State under this Contract shall be in compliance with State of Vermont Cybersecurity Standard 19-01, which Contractor acknowledges has been provided to it, and is available on-line at the following URL:

https://digitalservices.vermont.gov/cybersecurity/cybersecurity-standards-and-directives

ATTACHMENT E

BUSINESS ASSOCIATE AGREEMENT

SOV CONTRACT BUSINESS ASSOCIATE: GAINWELL TECHNOLOGIES LLC.

SOV CONTRACT NO. 42868 CONTRACT EFFECTIVE DATE: JANUARY 1, 2022

This Business Associate Agreement ("Agreement") is entered into by and between the State of Vermont Agency of Human Services, operating by and through its **DEPARTMENT OF VERMONT HEALTH ACCESS** ("Covered Entity") and Party identified in this Agreement as Contractor or Grantee above **("**Business Associate"). This Agreement supplements and is made a part of the contract or grant ("Contract or Grant") to which it is attached.

Covered Entity and Business Associate enter into this Agreement to comply with the standards promulgated under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), including the Standards for the Privacy of Individually Identifiable Health Information, at 45 CFR Parts 160 and 164 ("Privacy Rule"), and the Security Standards, at 45 CFR Parts 160 and 164 ("Security Rule"), as amended by Subtitle D of the Health Information Technology for Economic and Clinical Health Act (HITECH), and any associated federal rules and regulations.

The parties agree as follows:

1. Definitions. All capitalized terms used but not otherwise defined in this Agreement have the meanings set forth in 45 CFR Parts 160 and 164 as amended by HITECH and associated federal rules and regulations. Terms defined in this Agreement are italicized. Unless otherwise specified, when used in this Agreement, defined terms used in the singular shall be understood if appropriate in their context to include the plural when applicable.

"*Agent*" means an *Individual* acting within the scope of the agency of the *Business Associate*, in accordance with the Federal common law of agency, as referenced in 45 CFR § 160.402(c) and includes Workforce members and *Subcontractors*.

"*Breach*" means the acquisition, Access, Use or Disclosure of *Protected Health Information* (*PHI*) which compromises the Security or privacy of the *PHI*, except as excluded in the definition of *Breach* in 45 CFR § 164.402.

"*Business Associate*" shall have the meaning given for "Business Associate" in 45 CFR § 160.103 and means Contractor or Grantee and includes its Workforce, *Agents* and *Subcontractors*.

"*Electronic PHI*" shall mean *PHI* created, received, maintained or transmitted electronically in accordance with 45 CFR § 160.103.

"*Individual*" includes a Person who qualifies as a personal representative in accordance with 45 CFR § 164.502(g).

"*Protected Health Information*" ("*PHI*") shall have the meaning given in 45 CFR § 160.103, limited to the *PHI* created or received by *Business Associate* from or on behalf of Covered Entity.

"*Required by Law*" means a mandate contained in law that compels an entity to make a use or disclosure of *PHI* and that is enforceable in a court of law and shall have the meaning given in 45 CFR § 164.103.

"*Report*" means submissions required by this Agreement as provided in section 2.3.

"*Security Incident*" means the attempted or successful unauthorized Access, Use, Disclosure, modification, or destruction of Information or interference with system operations in an Information System relating to *PHI* in accordance with 45 CFR § 164.304.

"*Services*" includes all work performed by the *Business Associate* for or on behalf of Covered Entity that requires the Use and/or Disclosure of *PHI* to perform a *Business Associate* function described in 45 CFR § 160.103.

"*Subcontractor*" means a Person to whom *Business Associate* delegates a function, activity, or service, other than in the capacity of a member of the workforce of such *Business Associate*.

"*Successful Security Incident*" shall mean a *Security Incident* that results in the unauthorized Access, Use, Disclosure, modification, or destruction of information or interference with system operations in an Information System.

"*Unsuccessful Security Incident*" shall mean a *Security Incident* such as routine occurrences that do not result in unauthorized Access, Use, Disclosure, modification, or destruction of information or interference with system operations in an Information System, such as: (i) unsuccessful attempts to penetrate computer networks or services maintained by *Business Associate*; and (ii) immaterial incidents such as pings and other broadcast attacks on *Business Associate's* firewall, port scans, unsuccessful log-on attempts, denials of service and any combination of the above with respect to *Business Associate's* Information System.

"*Targeted Unsuccessful Security Incident*" means an *Unsuccessful Security Incident* that appears to be an attempt to obtain unauthorized Access, Use, Disclosure, modification or destruction of the Covered Entity's *Electronic PHI*.

2. Contact Information for Privacy and Security Officers and Reports.

2.1 *Business Associate* shall provide, within ten (10) days of the execution of this Agreement, written notice to the Contract or Grant manager the names and contact information of both the HIPAA Privacy Officer and HIPAA Security Officer of the *Business Associate.* This information must be updated by *Business Associate* any time these contacts change.

2.2 Covered Entity's HIPAA Privacy Officer and HIPAA Security Officer contact information is posted at: https://humanservices.vermont.gov/rules-policies/health-insurance-portability-and-accountability-act-hipaa

2.3 *Business Associate* shall submit all *Reports* required by this Agreement to the following email address: AHS.PrivacyAndSecurity@vermont.gov

3. Permitted and Required Uses/Disclosures of PHI.

3.1 Subject to the terms in this Agreement, *Business Associate* may Use or Disclose *PHI* to perform *Services*, as specified in the Contract or Grant. Such Uses and Disclosures are limited to the minimum necessary to provide the *Services*. *Business Associate* shall not Use or Disclose *PHI* in any manner that would constitute a violation of the Privacy Rule if Used or Disclosed by Covered Entity in that manner. *Business Associate* may not Use or Disclose *PHI* other than as permitted or required by this Agreement or as *Required by Law* and only in compliance with applicable laws and regulations.

3.2 *Business Associate* may make *PHI* available to its Workforce, *Agent* and *Subcontractor* who need Access to perform *Services* as permitted by this Agreement, provided that *Business Associate* makes them aware of the Use and Disclosure restrictions in this Agreement and binds them to comply with such restrictions.

3.3 *Business Associate* shall be directly liable under HIPAA for impermissible Uses and Disclosures of *PHI*.

4. Business Activities. *Business Associate* may Use *PHI* if necessary for *Business Associate's* proper management and administration or to carry out its legal responsibilities. *Business Associate* may Disclose *PHI* for *Business Associate's* proper management and administration or to carry out its legal responsibilities if a Disclosure is *Required by Law* or if *Business Associate* obtains reasonable written assurances via a written agreement from the Person to whom the information is to be Disclosed that such *PHI* shall remain confidential and be Used or further Disclosed only as *Required by Law* or for the purpose for which it was Disclosed to the Person, and the Agreement requires the Person to notify *Business Associate*, within five (5) business days, in writing of any *Breach* of Unsecured *PHI* of which it is aware. Such Uses and Disclosures of *PHI* must be of the minimum amount necessary to accomplish such purposes.

5. Electronic PHI Security Rule Obligations.

5.1 With respect to *Electronic PHI*, *Business Associate* shall:

a) Implement and use Administrative, Physical, and Technical Safeguards in compliance with 45 CFR sections 164.308, 164.310, and 164.312;

b) Identify in writing upon request from Covered Entity all the safeguards that it uses to protect such *Electronic PHI*;

c) Prior to any Use or Disclosure of *Electronic PHI* by an *Agent* or *Subcontractor*, ensure that any *Agent* or *Subcontractor* to whom it provides *Electronic PHI* agrees in writing to implement and use Administrative, Physical, and Technical Safeguards that reasonably and appropriately protect the Confidentiality, Integrity and Availability of *Electronic PHI*. The written agreement must identify Covered Entity as a direct and intended third party beneficiary with the right to enforce any breach of the agreement concerning the Use or Disclosure of *Electronic PHI*, and be provided to Covered Entity upon request;

d) Report in writing to Covered Entity any *Successful Security Incident* or *Targeted Unsuccessful Security Incident* as soon as it becomes aware of such incident and in no event later than five (5) business days after such awareness. Such *Report* shall be timely made notwithstanding the fact that little information may be known at the time of the *Report* and need only include such information then available;

e) Following such *Report*, provide Covered Entity with the information necessary for Covered Entity to investigate any such incident; and

f) Continue to provide to Covered Entity information concerning the incident as it becomes available to it.

5.2 Reporting *Unsuccessful Security Incidents. Business Associate* shall provide Covered Entity upon written request a *Report* that: (a) identifies the categories of Unsuccessful Security Incidents; (b) indicates whether *Business Associate* believes its current defensive security measures are adequate to address all *Unsuccessful Security Incidents*, given the scope and nature of such attempts; and (c) if the security measures are not adequate, the measures *Business Associate* will implement to address the security inadequacies.

5.3 *Business Associate* shall comply with any reasonable policies and procedures Covered Entity implements to obtain compliance under the Security Rule.

6. Reporting and Documenting Breaches.

6.1 *Business Associate* shall *Report* to Covered Entity any *Breach* of Unsecured *PHI* as soon as it, or any Person to whom *PHI* is disclosed under this Agreement, becomes aware of any such *Breach*, and in no event later than five (5) business days after such awareness, except when a law enforcement official determines that a notification would impede a criminal investigation or cause damage to national security. Such *Report* shall be timely made notwithstanding the fact that little information may be known at the time of the *Report* and need only include such information then available.

6.2 Following the *Report* described in 6.1, *Business Associate* shall conduct a risk assessment and provide it to Covered Entity with a summary of the event. *Business Associate* shall provide Covered Entity with the names of any *Individual* whose Unsecured *PHI* has been, or is reasonably believed to have been, the subject of the *Breach* and any other available information that is required to be given to the affected *Individual*, as set forth in 45 CFR § 164.404(c). Upon request by Covered Entity, *Business Associate* shall provide information necessary for Covered Entity to investigate the impermissible Use or Disclosure. *Business Associate* shall continue to provide to Covered Entity information concerning the *Breach* as it becomes available.

6.3 When *Business Associate* determines that an impermissible acquisition, Access, Use or Disclosure of *PHI* for which it is responsible is not a *Breach*, and therefore does not necessitate notice to the impacted *Individual*, it shall document its assessment of risk, conducted as set forth in 45 CFR § 402(2). *Business Associate* shall make its risk assessment available to Covered Entity upon request. It shall include 1) the name of the person making the assessment, 2) a brief summary of the facts, and 3) a brief statement of the reasons supporting the determination of low probability that the *PHI* had been compromised.

7. Mitigation and Corrective Action. *Business Associate* shall mitigate, to the extent practicable, any harmful effect that is known to it of an impermissible Use or Disclosure of *PHI*, even if the impermissible Use or Disclosure does not constitute a *Breach*. *Business Associate* shall draft and carry out a plan of corrective action to address any incident of impermissible Use or Disclosure of *PHI*. *Business Associate* shall make its mitigation

and corrective action plans available to Covered Entity upon request.

8. Providing Notice of Breaches.

8.1 If Covered Entity determines that a *Breach* of *PHI* for which *Business Associate* was responsible, and if requested by Covered Entity, *Business Associate* shall provide notice to the *Individual* whose *PHI* has been the subject of the *Breach*. When so requested, *Business Associate* shall consult with Covered Entity about the timeliness, content and method of notice, and shall receive Covered Entity's approval concerning these elements. *Business Associate* shall be responsible for the cost of notice and related remedies.

8.2 The notice to affected *Individuals* shall be provided as soon as reasonably possible and in no case later than sixty (60) calendar days after *Business Associate* reported the *Breach* to Covered Entity.

8.3 The notice to affected *Individuals* shall be written in plain language and shall include, to the extent possible: 1) a brief description of what happened; 2) a description of the types of Unsecured *PHI* that were involved in the *Breach*; 3) any steps *Individuals* can take to protect themselves from potential harm resulting from the *Breach*; 4) a brief description of what the *Business Associate* is doing to investigate the *Breach* to mitigate harm to *Individuals* and to protect against further *Breaches*; and 5) contact procedures for *Individuals* to ask questions or obtain additional information, as set forth in 45 CFR § 164.404(c).

8.4 *Business Associate* shall notify *Individuals* of *Breaches* as specified in 45 CFR § 164.404(d) (methods of *Individual* notice). In addition, when a *Breach* involves more than 500 residents of Vermont, *Business Associate* shall, if requested by Covered Entity, notify prominent media outlets serving Vermont, following the requirements set forth in 45 CFR § 164.406.

9. Agreements with Subcontractors. *Business Associate* shall enter into a Business Associate Agreement with any *Subcontractor* to whom it provides *PHI* to require compliance with HIPAA and to ensure *Business Associate* and *Subcontractor* comply with the terms and conditions of this Agreement. *Business Associate* must enter into such written agreement before any Use by or Disclosure of *PHI* to such *Subcontractor*. The written agreement must identify Covered Entity as a direct and intended third party beneficiary with the right to enforce any breach of the agreement concerning the Use or Disclosure of *PHI*. *Business Associate* shall provide a copy of the written agreement it enters into with a *Subcontractor* to Covered Entity upon request. *Business Associate* may not make any Disclosure of *PHI* to any *Subcontractor* without prior written consent of Covered Entity.

10. Access to PHI. *Business Associate* shall provide access to *PHI* in a Designated Record Set to Covered Entity or as directed by Covered Entity to an *Individual* to meet the requirements under 45 CFR § 164.524. *Business Associate* shall provide such access in the time and manner reasonably designated by Covered Entity. Within five (5) business days, *Business Associate* shall forward to Covered Entity for handling any request for Access to *PHI* that *Business Associate* directly receives from an *Individual*.

11. Amendment of PHI. *Business Associate* shall make any amendments to *PHI* in a Designated Record Set that Covered Entity directs or agrees to pursuant to 45 CFR § 164.526, whether at the request of Covered Entity or an *Individual*. *Business Associate* shall make such amendments in the time and manner reasonably designated by Covered Entity. Within five (5) business days, *Business Associate* shall forward to Covered Entity for handling any request for amendment to *PHI* that *Business Associate* directly receives from an *Individual*.

12. **Accounting of Disclosures**. *Business Associate* shall document Disclosures of *PHI* and all information related to such Disclosures as would be required for Covered Entity to respond to a request by an *Individual* for an accounting of disclosures of *PHI* in accordance with 45 CFR § 164.528. *Business Associate* shall provide such information to Covered Entity or as directed by Covered Entity to an *Individual*, to permit Covered Entity to respond to an accounting request. *Business Associate* shall provide such information in the time and manner reasonably designated by Covered Entity. Within five (5) business days, *Business Associate* shall forward to Covered Entity for handling any accounting request that *Business Associate* directly receives from an *Individual*.

13. **Books and Records**. Subject to the attorney-client and other applicable legal privileges, *Business Associate* shall make its internal practices, books, and records (including policies and procedures and *PHI*) relating to the Use and Disclosure of *PHI* available to the Secretary of Health and Human Services (HHS) in the time and manner designated by the Secretary. *Business Associate* shall make the same information available to Covered Entity, upon Covered Entity's request, in the time and manner reasonably designated by Covered Entity so that Covered Entity may determine whether *Business Associate* is in compliance with this Agreement.

14. **Termination.**

14.1 This Agreement commences on the Effective Date and shall remain in effect until terminated by Covered Entity or until all the *PHI* is destroyed or returned to Covered Entity subject to Section 18.8.

14.2 If *Business Associate* fails to comply with any material term of this Agreement, Covered Entity may provide an opportunity for *Business Associate* to cure. If *Business Associate* does not cure within the time specified by Covered Entity or if Covered Entity believes that cure is not reasonably possible, Covered Entity may immediately terminate the Contract or Grant without incurring liability or penalty for such termination. If neither termination nor cure are feasible, Covered Entity shall report the breach to the Secretary of HHS. Covered Entity has the right to seek to cure such failure by *Business Associate*. Regardless of whether Covered Entity cures, it retains any right or remedy available at law, in equity, or under the Contract or Grant and *Business Associate* retains its responsibility for such failure.

15. **Return/Destruction of PHI**.

15.1 *Business Associate* in connection with the expiration or termination of the Contract or Grant shall return or destroy, at the discretion of the Covered Entity, *PHI* that *Business Associate* still maintains in any form or medium (including electronic) within thirty (30) days after such expiration or termination. *Business Associate* shall not retain any copies of *PHI*. *Business Associate* shall certify in writing and report to Covered Entity (1) when all *PHI* has been returned or destroyed and (2) that *Business Associate* does not continue to maintain any *PHI*. *Business Associate* is to provide this certification during this thirty (30) day period.

15.2 *Business Associate* shall report to Covered Entity any conditions that *Business Associate* believes make the return or destruction of *PHI* infeasible. *Business Associate* shall extend the protections of this Agreement to such *PHI* and limit further Uses and Disclosures to those purposes that make the return or destruction infeasible for so long as *Business Associate* maintains such *PHI*.

16. **Penalties**. *Business Associate* understands that: (a) there may be civil or criminal penalties for misuse or misappropriation of *PHI* and (b) violations of this Agreement may result in notification by Covered Entity to law enforcement officials and regulatory, accreditation, and licensure organizations.

17. Training. *Business Associate* understands its obligation to comply with the law and shall provide appropriate training and education to ensure compliance with this Agreement. If requested by Covered Entity, *Business Associate* shall participate in Covered Entity's training regarding the Use, Confidentiality, and Security of *PHI*; however, participation in such training shall not supplant nor relieve *Business Associate* of its obligations under this Agreement to independently assure compliance with the law and this Agreement.

18. Miscellaneous.

18.1 In the event of any conflict or inconsistency between the terms of this Agreement and the terms of the Contract or Grant, the terms of this Agreement shall govern with respect to its subject matter. Otherwise, the terms of the Contract or Grant continue in effect.

18.2 Each party shall cooperate with the other party to amend this Agreement from time to time as is necessary for such party to comply with the Privacy Rule, the Security Rule, or any other standards promulgated under HIPAA. This Agreement may not be amended, except by a writing signed by all parties hereto.

18.3 Any ambiguity in this Agreement shall be resolved to permit the parties to comply with the Privacy Rule, Security Rule, or any other standards promulgated under HIPAA.

18.4 In addition to applicable Vermont law, the parties shall rely on applicable federal law (e.g., HIPAA, the Privacy Rule, Security Rule, and HITECH) in construing the meaning and effect of this Agreement.

18.5 *Business Associate* shall not have or claim any ownership of *PHI*.

18.6 *Business Associate* shall abide by the terms and conditions of this Agreement with respect to all *PHI* even if some of that information relates to specific services for which *Business Associate* may not be a "*Business Associate*" of Covered Entity under the Privacy Rule.

18.7 *Business Associate* is prohibited from directly or indirectly receiving any remuneration in exchange for an *Individual's PHI*. *Business Associate* will refrain from marketing activities that would violate HIPAA, including specifically Section 13406 of the HITECH Act. *Reports* or data containing *PHI* may not be sold without Covered Entity's or the affected Individual's written consent.

18.8 The provisions of this Agreement that by their terms encompass continuing rights or responsibilities shall survive the expiration or termination of this Agreement. For example: (a) the provisions of this Agreement shall continue to apply if Covered Entity determines that it would be infeasible for *Business Associate* to return or destroy *PHI* as provided in Section 14.2 and (b) the obligation of *Business Associate* to provide an accounting of disclosures as set forth in Section 12 survives the expiration or termination of this Agreement with respect to accounting requests, if any, made after such expiration or termination.

ATTACHMENT F

AGENCY OF HUMAN SERVICES' CUSTOMARY CONTRACT/GRANT PROVISIONS

1. **Definitions:** For purposes of this Attachment F, the term "Agreement" shall mean the form of the contract or grant, with all of its parts, into which this Attachment F is incorporated. The meaning of the term "Party" when used in this Attachment F shall mean any named party to this Agreement *other than* the State of Vermont, the Agency of Human Services (AHS) and any of the departments, boards, offices and business units named in this Agreement. As such, the term "Party" shall mean, when used in this Attachment F, the Contractor or Grantee with whom the State of Vermont is executing this Agreement. If Party, when permitted to do so under this Agreement, seeks by way of any subcontract, sub-grant or other form of provider agreement to employ any other person or entity to perform any of the obligations of Party under this Agreement, Party shall be obligated to ensure that all terms of this Attachment F are followed. As such, the term "Party" as used herein shall also be construed as applicable to, and describing the obligations of, any subcontractor, sub-recipient or sub-grantee of this Agreement. Any such use or construction of the term "Party" shall not, however, give any subcontractor, sub-recipient or sub-grantee any substantive right in this Agreement without an express written agreement to that effect by the State of Vermont.

2. **Agency of Human Services**: The Agency of Human Services is responsible for overseeing all contracts and grants entered by any of its departments, boards, offices and business units, however denominated. The Agency of Human Services, through the business office of the Office of the Secretary, and through its Field Services Directors, will share with any named AHS-associated party to this Agreement oversight, monitoring and enforcement responsibilities. Party agrees to cooperate with both the named AHS-associated party to this contract and with the Agency of Human Services itself with respect to the resolution of any issues relating to the performance and interpretation of this Agreement, payment matters and legal compliance.

3. **Medicaid Program Parties** (*applicable to any Party providing services and supports paid for under Vermont's Medicaid program and Vermont's Global Commitment to Health Waiver*):

   Inspection and Retention of Records: In addition to any other requirement under this Agreement or at law, Party must fulfill all state and federal legal requirements, and will comply with all requests appropriate to enable the Agency of Human Services, the U.S. Department of Health and Human Services (along with its Inspector General and the Centers for Medicare and Medicaid Services), the Comptroller General, the Government Accounting Office, or any of their designees: (i) to evaluate through inspection or other means the quality, appropriateness, and timeliness of services performed under this Agreement; and (ii) to inspect and audit any records, financial data, contracts, computer or other electronic systems of Party relating to the performance of services under Vermont's Medicaid program and Vermont's Global Commitment to Health Waiver. Party will retain for ten years all documents required to be retained pursuant to 42 CFR 438.3(u).

   Subcontracting for Medicaid Services: Notwithstanding any permitted subcontracting of services to be performed under this Agreement, Party shall remain responsible for ensuring that this Agreement is fully performed according to its terms, that subcontractor remains in compliance with the terms hereof, and that subcontractor complies with all state and federal laws and regulations relating to the Medicaid program in Vermont. Subcontracts, and any service provider agreements entered into by Party in connection with the performance of this Agreement, must clearly specify in writing the responsibilities of the subcontractor or other service provider and Party must retain the authority to revoke its subcontract or service provider agreement or to impose other sanctions if the performance of the subcontractor or service provider is

inadequate or if its performance deviates from any requirement of this Agreement. Party shall make available on request all contracts, subcontracts and service provider agreements between the Party, subcontractors and other service providers to the Agency of Human Services and any of its departments as well as to the Center for Medicare and Medicaid Services.

Medicaid Notification of Termination Requirements: Party shall follow the Department of Vermont Health Access Managed-Care-Organization enrollee-notification requirements, to include the requirement that Party provide timely notice of any termination of its practice.

Encounter Data: Party shall provide encounter data to the Agency of Human Services and/or its departments and ensure further that the data and services provided can be linked to and supported by enrollee eligibility files maintained by the State.

Federal Medicaid System Security Requirements Compliance: Party shall provide a security plan, risk assessment, and security controls review document within three months of the start date of this Agreement (and update it annually thereafter) in order to support audit compliance with 45 CFR 95.621 subpart F, *ADP System Security Requirements and Review Process*.

4. Workplace Violence Prevention and Crisis Response (*applicable to any Party and any subcontractors and sub-grantees whose employees or other service providers deliver social or mental health services directly to individual recipients of such services*):

Party shall establish a written workplace violence prevention and crisis response policy meeting the requirements of Act 109 (2016), 33 VSA §8201(b), for the benefit of employees delivering direct social or mental health services. Party shall, in preparing its policy, consult with the guidelines promulgated by the U.S. Occupational Safety and Health Administration for *Preventing Workplace Violence for Healthcare and Social Services Workers*, as those guidelines may from time to time be amended.

Party, through its violence protection and crisis response committee, shall evaluate the efficacy of its policy, and update the policy as appropriate, at least annually. The policy and any written evaluations thereof shall be provided to employees delivering direct social or mental health services.

Party will ensure that any subcontractor and sub-grantee who hires employees (or contracts with service providers) who deliver social or mental health services directly to individual recipients of such services, complies with all requirements of this Section.

5. Non-Discrimination:

Party shall not discriminate, and will prohibit its employees, agents, subcontractors, sub-grantees and other service providers from discrimination, on the basis of age under the Age Discrimination Act of 1975, on the basis of handicap under section 504 of the Rehabilitation Act of 1973, on the basis of sex under Title IX of the Education Amendments of 1972, and on the basis of race, color or national origin under Title VI of the Civil Rights Act of 1964. Party shall not refuse, withhold from or deny to any person the benefit of services, facilities, goods, privileges, advantages, or benefits of public accommodation on the basis of disability, race, creed, color, national origin, marital status, sex, sexual orientation or gender identity as provided by Title 9 V.S.A. Chapter 139.

No person shall on the grounds of religion or on the grounds of sex (including, on the grounds that a woman is pregnant), be excluded from participation in, be denied the benefits of, or be subjected to discrimination, to include sexual harassment, under any program or activity supported by State of Vermont and/or federal funds.

Party further shall comply with the non-discrimination requirements of Title VI of the Civil Rights Act of 1964, 42 USC Section 2000d, et seq., and with the federal guidelines promulgated pursuant to Executive Order 13166 of 2000, requiring that contractors and subcontractors receiving federal funds assure that persons with limited English proficiency can meaningfully access services. To the extent Party provides assistance to individuals with limited English proficiency through the use of oral or written translation or interpretive services, such individuals cannot be required to pay for such services.

6. Employees and Independent Contractors:

Party agrees that it shall comply with the laws of the State of Vermont with respect to the appropriate classification of its workers and service providers as "employees" and "independent contractors" for all purposes, to include for purposes related to unemployment compensation insurance and workers compensation coverage, and proper payment and reporting of wages. Party agrees to ensure that all of its subcontractors or sub-grantees also remain in legal compliance as to the appropriate classification of "workers" and "independent contractors" relating to unemployment compensation insurance and workers compensation coverage, and proper payment and reporting of wages. Party will on request provide to the Agency of Human Services information pertaining to the classification of its employees to include the basis for the classification. Failure to comply with these obligations may result in termination of this Agreement.

7. Data Protection and Privacy:

Protected Health Information: Party shall maintain the privacy and security of all individually identifiable health information acquired by or provided to it as a part of the performance of this Agreement. Party shall follow federal and state law relating to privacy and security of individually identifiable health information as applicable, including the Health Insurance Portability and Accountability Act (HIPAA) and its federal regulations.

Substance Abuse Treatment Information: Substance abuse treatment information shall be maintained in compliance with 42 C.F.R. Part 2 if the Party or subcontractor(s) are Part 2 covered programs, or if substance abuse treatment information is received from a Part 2 covered program by the Party or subcontractor(s).

Protection of Personal Information: Party agrees to comply with all applicable state and federal statutes to assure protection and security of personal information, or of any personally identifiable information (PII), including the Security Breach Notice Act, 9 V.S.A. § 2435, the Social Security Number Protection Act, 9 V.S.A. § 2440, the Document Safe Destruction Act, 9 V.S.A. § 2445 and 45 CFR 155.260. As used here, PII shall include any information, in any medium, including electronic, which can be used to distinguish or trace an individual's identity, such as his/her name, social security number, biometric records, etc., either alone or when combined with any other personal or identifiable information that is linked or linkable to a specific person, such as date and place or birth, mother's maiden name, etc.

Other Confidential Consumer Information: Party agrees to comply with the requirements of AHS Rule No. 08-048 concerning access to and uses of personal information relating to any beneficiary or recipient of goods, services or other forms of support. Party further agrees to comply with any applicable Vermont State Statute and other regulations respecting the right to individual privacy. Party shall ensure that all of its employees, subcontractors and other service providers performing services under this agreement understand and preserve

the sensitive, confidential and non-public nature of information to which they may have access.

Data Breaches: Party shall report to AHS, though its Chief Information Officer (CIO), any impermissible use or disclosure that compromises the security, confidentiality or privacy of any form of protected personal information identified above within 24 hours of the discovery of the breach. Party shall in addition comply with any other data breach notification requirements required under federal or state law.

8. Abuse and Neglect of Children and Vulnerable Adults:

Abuse Registry. Party agrees not to employ any individual, to use any volunteer or other service provider, or to otherwise provide reimbursement to any individual who in the performance of services connected with this agreement provides care, custody, treatment, transportation, or supervision to children or to vulnerable adults if there has been a substantiation of abuse or neglect or exploitation involving that individual. Party is responsible for confirming as to each individual having such contact with children or vulnerable adults the non-existence of a substantiated allegation of abuse, neglect or exploitation by verifying that fact though (a) as to vulnerable adults, the Adult Abuse Registry maintained by the Department of Disabilities, Aging and Independent Living and (b) as to children, the Central Child Protection Registry (unless the Party holds a valid child care license or registration from the Division of Child Development, Department for Children and Families). See 33 V.S.A. §4919(a)(3) and 33 V.S.A. §6911(c)(3).

Reporting of Abuse, Neglect, or Exploitation. Consistent with provisions of 33 V.S.A. §4913(a) and §6903, Party and any of its agents or employees who, in the performance of services connected with this agreement, (a) is a caregiver or has any other contact with clients and (b) has reasonable cause to believe that a child or vulnerable adult has been abused or neglected as defined in Chapter 49 or abused, neglected, or exploited as defined in Chapter 69 of Title 33 V.S.A. shall: as to children, make a report containing the information required by 33 V.S.A. §4914 to the Commissioner of the Department for Children and Families within 24 hours; or, as to a vulnerable adult, make a report containing the information required by 33 V.S.A. §6904 to the Division of Licensing and Protection at the Department of Disabilities, Aging, and Independent Living within 48 hours. Party will ensure that its agents or employees receive training on the reporting of abuse or neglect to children and abuse, neglect or exploitation of vulnerable adults.

9. Information Technology Systems:

Computing and Communication: Party shall select, in consultation with the Agency of Human Services' Information Technology unit, one of the approved methods for secure access to the State's systems and data, if required. Approved methods are based on the type of work performed by the Party as part of this agreement. Options include, but are not limited to:

1. Party's provision of certified computing equipment, peripherals and mobile devices, on a separate Party's network with separate internet access. The Agency of Human Services' accounts may or may not be provided.

2. State supplied and managed equipment and accounts to access state applications and data, including State issued active directory accounts and application specific accounts, which follow the National Institutes of Standards and Technology (NIST) security and the Health Insurance Portability & Accountability Act (HIPAA) standards.

***Intellectual Property/Work Product Ownership*:** All data, technical information, materials first gathered,

originated, developed, prepared, or obtained as a condition of this agreement and used in the performance of this agreement -- including, but not limited to all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video or audio**)**, pictures, drawings, analyses, graphic representations, software computer programs and accompanying documentation and printouts, notes and memoranda, written procedures and documents, which are prepared for or obtained specifically for this agreement, or are a result of the services required under this grant -- shall be considered "work for hire" and remain the property of the State of Vermont, regardless of the state of completion unless otherwise specified in this agreement. Such items shall be delivered to the State of Vermont upon 30-days notice by the State. With respect to software computer programs and / or source codes first developed for the State, all the work shall be considered "work for hire," i.e., the State, not the Party (or subcontractor or sub-grantee), shall have full and complete ownership of all software computer programs, documentation and/or source codes developed.

Party shall not sell or copyright a work product or item produced under this agreement without explicit permission from the State of Vermont.

If Party is operating a system or application on behalf of the State of Vermont, Party shall not make information entered into the system or application available for uses by any other party than the State of Vermont, without prior authorization by the State. Nothing herein shall entitle the State to pre-existing Party's materials.

Party acknowledges and agrees that should this agreement be in support of the State's implementation of the Patient Protection and Affordable Care Act of 2010, Party is subject to the certain property rights provisions of the Code of Federal Regulations and a Grant from the Department of Health and Human Services, Centers for Medicare & Medicaid Services. Such agreement will be subject to, and incorporates here by reference, 45 CFR 74.36, 45 CFR 92.34 and 45 CFR 95.617 governing rights to intangible property.

Security and Data Transfers: Party shall comply with all applicable State and Agency of Human Services' policies and standards, especially those related to privacy and security. The State will advise the Party of any new policies, procedures, or protocols developed during the term of this agreement as they are issued and will work with the Party to implement any required.

Party will ensure the physical and data security associated with computer equipment, including desktops, notebooks, and other portable devices, used in connection with this Agreement. Party will also assure that any media or mechanism used to store or transfer data to or from the State includes industry standard security mechanisms such as continually up-to-date malware protection and encryption. Party will make every reasonable effort to ensure media or data files transferred to the State are virus and spyware free. At the conclusion of this agreement and after successful delivery of the data to the State, Party shall securely delete data (including archival backups) from Party's equipment that contains individually identifiable records, in accordance with standards adopted by the Agency of Human Services.

Party, in the event of a data breach, shall comply with the terms of Section 7 above.

10. Other Provisions:

Environmental Tobacco Smoke. Public Law 103-227 (also known as the Pro-Children Act of 1994) and Vermont's Act 135 (2014) (An act relating to smoking in lodging establishments, hospitals, and child care facilities, and on State lands) restrict the use of tobacco products in certain settings. Party shall ensure that no

person is permitted: (i) to use tobacco products or tobacco substitutes as defined in 7 V.S.A. § 1001 on the premises, both indoor and outdoor, of any licensed child care center or afterschool program at any time; (ii) to use tobacco products or tobacco substitutes on the premises, both indoor and in any outdoor area designated for child care, health or day care services, kindergarten, pre-kindergarten, elementary, or secondary education or library services; and (iii) to use tobacco products or tobacco substitutes on the premises of a licensed or registered family child care home while children are present and in care. Party will refrain from promoting the use of tobacco products for all clients and from making tobacco products available to minors.

Failure to comply with the provisions of the federal law may result in the imposition of a civil monetary penalty of up to $1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity. The federal Pro-Children Act of 1994, however, does not apply to portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where Women, Infants, & Children (WIC) coupons are redeemed.

2-1-1 Database: If Party provides health or human services within Vermont, or if Party provides such services near the Vermont border readily accessible to residents of Vermont, Party shall adhere to the "Inclusion/Exclusion" policy of Vermont's United Way/Vermont 211 (Vermont 211), and will provide to Vermont 211 relevant descriptive information regarding its agency, programs and/or contact information as well as accurate and up to date information to its database as requested. The "Inclusion/Exclusion" policy can be found at www.vermont211.org.

Voter Registration: When designated by the Secretary of State, Party agrees to become a voter registration agency as defined by 17 V.S.A. §2103 (41), and to comply with the requirements of state and federal law pertaining to such agencies.

Drug Free Workplace Act*:* Party will assure a drug-free workplace in accordance with 45 CFR Part 76.

Lobbying: No federal funds under this agreement may be used to influence or attempt to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, continuation, renewal, amendments other than federal appropriated funds.

ATTACHMENT G
WORKER CLASSIFICATION COMPLIANCE REQUIREMENT

Subcontractor Reporting Form

This form must be completed in its entirety and submitted prior to contract execution and updated as necessary and provided to the State as additional subcontractors are hired.

The Department of Buildings and General Services in accordance with Act 54, Section 32 of the Acts of 2009 and for total project costs exceeding $250,000.00 requires bidders to comply with the following provisions and requirements.

Contractor is required to provide a list of subcontractors on the job along with lists of subcontractor's subcontractors and by whom those subcontractors are insured of workers. Include additional pages if necessary. This is not a requirement for subcontractor's providing supplies only and no labor to the overall contract or project.

Subcontractor	Insured By		Subcontractor's Sub	Insured By

Date: _____

Name of Company: _____ Contact Name: _____

Address: _____ Title: _____

_____ Phone Number: _____

E-mail: _____ Fax Number: _____

By: _____ Name: _____

Failure to adhere to Act 54, Section 32 of the Acts of 2009 and submit Subcontractor Reporting: Worker Classification Compliance Requirement will constitute non-compliance and may result in cancellation of contract and/or forfeiture of future bidding privileges until resolved.

Send Completed Form to: Office of Purchasing & Contracting
109 State Street
Montpelier, VT 05609-3001
Attention: Contract Administration